

2549. By Mr. WELCH: Petition of the Board of Supervisors of the City and County of San Francisco, memorializing Congress to fix premium rates of war-risk insurance so that insured persons in all parts of the United States shall share equally the burden of such insurance; to the Committee on Banking and Currency.

SENATE

WEDNESDAY, MARCH 11, 1942

(Legislative day of Thursday, March 5, 1942)

The Senate met at 12 o'clock noon, on the expiration of the recess.

The Rev. Clarence W. Cranford, pastor, Calvary Baptist Church, Washington, D. C., offered the following prayer:

Thou great God of the universe, whose laws are eternal and may not be broken with impunity, hear our prayer this day. Our Father, we pray that we may understand what Thou dost have in mind for us to do in the world and that Thou wilt help us to translate Thy will into action. For Jesus sake. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, March 10, 1942, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT— APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, who also announced that the President had approved and signed the following acts:

On March 7, 1942:

S. 1782. An act to authorize the payment of a donation to and to provide for the travel at Government expense of persons discharged from the Army of the United States on account of fraudulent enlistment.

On March 9, 1942:

S. 1891. An act to amend an act to provide allowances for uniforms and equipment for certain officers of the Officers' Reserve Corps of the Army so as to provide allowances for uniforms and equipment for certain officers of the Army of the United States.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the House had passed a bill (H. R. 6691) to increase the debt limit of the United States, to further amend the Second Liberty Bond Act, and for other purposes, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Barbour	Brewster
Austin	Barkley	Brown
Bailey	Bilbo	Bulow
Bankhead	Bone	Burton

Butler	Holman	Reed
Byrd	Hughes	Reynolds
Capper	Johnson, Calif.	Rosier
Caraway	Johnson, Colo.	Russell
Chandler	La Follette	Schwartz
Chavez	Langer	Shipstead
Clark, Idaho	Lee	Smathers
Clark, Mo.	Lucas	Smith
Connally	McFarland	Spencer
Danaher	McKellar	Stewart
Davis	McNary	Taft
Doxey	Maloney	Thomas, Idaho
Ellender	Maybank	Thomas, Okla.
George	Mead	Thomas, Utah
Gerry	Millikin	Tobey
Gillette	Murdock	Tunnell
Glass	Murray	Tydings
Green	Nye	Vandenberg
Guffey	O'Daniel	Van Nuys
Gurney	O'Mahoney	Wheeler
Hayden	Overton	White
Herring	Pepper	Willey
Hill	Radcliffe	Willis

Mr. McNARY. I announce that the Senator from Nebraska [Mr. NORRIS] is absent because of illness.

Mr. AUSTIN. The Senator from Minnesota [Mr. BALL] is a member of the Senate committee holding hearings in the West on matters pertaining to the national defense, and is therefore unable to be present.

The Senator from New Hampshire [Mr. BRIDGES] is absent as a result of an injury and illness.

The Senator from Illinois [Mr. BROOKS] and the Senator from Massachusetts [Mr. LODGE] are necessarily absent.

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness.

The Senator from California [Mr. DOWNEY], the Senator from West Virginia [Mr. KILGORE], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] are holding hearings in Western States on matters pertaining to national defense.

The Senator from Florida [Mr. ANDREWS], the Senator from Nevada [Mr. BUNKER], the Senator from New York [Mr. WAGNER], and the Senator from Massachusetts [Mr. WALSH] are necessarily absent.

The Senator from Nevada [Mr. McCARRAN] is holding hearings in the West on silver, and therefore is unable to be present.

The VICE PRESIDENT. Eighty-one Senators have answered to their names. A quorum is present.

REPORT ON FIRST YEAR OF OPERATIONS UNDER THE LEND-LEASE ACT (H. DOC. NO. 661)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Foreign Relations:

To the Congress of the United States:

I am transmitting herewith to the Congress a report on the first year of lend-lease operations.

One year ago, in passing the Lend-Lease Act, the American people dedicated their material resources to the defeat of the Axis. We knew then that to strengthen those who were fighting the Axis was to strengthen the United States. We recognized then the lesson that has

since been hammered home to us by Axis treachery and Axis arms—that the rulers of Germany and Japan would never stop until they were thrown from power or America was forced to her knees.

Now that we have had to dedicate our manpower as well as our material resources to the defeat of the Axis, the American people know the wisdom of the step they took 1 year ago today. Had not the nations fighting aggression been strengthened and sustained—their armed forces with weapons, their factories with materials, their people with food—our presently grave position might, indeed, be desperate. But for the continued resistance of these steadfast peoples, the full force of the enemy might now be battering at our own ports and gateways.

Lend-lease has given us experience with which to fight the aggressor. Lend-lease has expanded our productive capacity for the building of guns and tanks and planes and ships. The weapons we made and shipped have been tested in actual combat on a dozen battlefields, teaching lessons of untold value.

Lend-lease is now a prime mechanism through which the United Nations are pooling their entire resources. Under the Lend-Lease Act we send our arms and materials to the places where they can best be used in the battle against the Axis. Through reciprocal lend-lease provisions we receive arms and materials from the other United Nations when they can best be used by us.

The war can only be won by contact with the enemies and by attack upon them. That takes time, for the United Nations need more and still more equipment and transportation. Success will come dearly at the price of defeats and losses. The offensive that the United Nations must and will drive into the heart of the Axis will take the entire strength that we possess.

For that combined strength we can thank the decision we took a year ago today. With that combined strength, we go forward along the steep road to victory.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 11, 1942.

ACQUISITION OF INDIAN LANDS—PARKER DAM PROJECT, ARIZONA-CALIFORNIA

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, transmitting a draft of proposed legislation for the acquisition of Indian lands required in connection with the construction, operation, and maintenance of electric transmission lines and other works, Parker Dam power project, Arizona-California, which, with the accompanying paper, was referred to the Committee on Indian Affairs.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the Board of Supervisors of Los Angeles County, Calif., favoring the enactment of legislation to provide compensation for injury to or the death of volunteer civilian defense workers occurring in the line of duty; to the Committee on the Judiciary.

A resolution adopted by a joint convention held by the Union Republican and Socialist Parties at Santurce, P. R., protesting against the administration of Hon. Rexford Guy Tugwell as Governor of Puerto Rico; to the Committee on Territories and Insular Affairs.

Resolutions adopted by the Common Council of the City of Watertown, Wis., in relation to certain votes of the two Senators from Wisconsin; ordered to lie on the table.

A petition of sundry citizens of Sanders County, Mont., praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

By Mr. VANDENBERG:

A resolution of the Women Lawyers' Association of Michigan, protesting against the enactment of legislation providing for mandatory joint income-tax returns by husband and wife; to the Committee on Finance.

A resolution of the Detroit and Wayne County (Mich.) Federation of Labor, favoring the taking of prompt steps by the United States to place beyond the reach of Hitler and the Government of Germany such resources of the French Nation as might be used for war purposes by the Axis Powers, and also favoring taking over and administering the French colonial possessions within the Western Hemisphere until such time as France may be restored to the status of a free nation; to the Committee on Foreign Relations.

A petition of sundry citizens of the State of Michigan, praying for the enactment of Senate bill 2025, to readjust the pay and allowances of persons in the armed forces of the United States; to the Committee on Military Affairs.

A resolution of the Detroit and Wayne County (Mich.) Federation of Labor, favoring adequate defense facilities and military protection for the civilian population and industrial establishments in the defense-production area of Michigan; to the Committee on Military Affairs.

A resolution adopted by Karl Ross Post, No. 16, American Legion, department of California, of Stockton, Calif., favoring the enactment of legislation to prevent any willful action which slows down war production and to make such action treasonable; to the Committee on Military Affairs.

Petitions of sundry citizens of the State of Michigan, praying for the prompt enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

A concurrent resolution of the Legislature of the State of Michigan; to the Committee on Finance:

"STATE OF MICHIGAN,
"MICHIGAN LEGISLATURE.

"House Concurrent Resolution 10

"Concurrent resolution memorializing the Congress of the United States to enact legislation inserting total and permanent disability benefits in war-risk insurance

"Whereas war-risk insurance provided by the Federal Government under jurisdiction of the Veterans' Administration for the men in service during World War No. 1 had a provision for total and permanent disability for the same amount of premium that is being paid by those serving their country in this present World War No. 2; and

"Whereas men and women serving and fighting in this fight for the protection of our liberty will undoubtedly face far greater possibilities of returning to their homes and loved ones disabled to the extent that they

will never be able to earn a livelihood: Now, therefore, be it

"Resolved by the house of representatives (the senate concurring). That the Michigan Legislature respectfully urges the Congress of the United States to enact legislation granting total and permanent disability benefits in their insurance policies to those serving in the armed forces of our country, making such legislation retroactive to provide the benefits to those totally disabled since the attack on Pearl Harbor by the Japs; and be it further

"Resolved, That a copy of this resolution be sent to the President of the United States, to the President of the Senate, the Speaker of the House of Representatives, and to the Michigan Members in the Senate and House of Representatives of Congress.

"Adopted by the house of representatives February 16, 1942.

"Adopted by the senate February 19, 1942.

"HUGHES F. GRAY,

"Clerk, House of Representatives.

"FRED I. CHASE,

"Secretary of the Senate."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs:

S. 1542. A bill to authorize the leasing of the undeveloped coal and asphalt deposits of the Choctaw and Chickasaw Nations in Oklahoma; with amendments (Rept. No. 1157).

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

S. 2360. A bill to amend the act entitled "An act to fix the hours of duty of postal employees, and for other purposes," approved August 14, 1935, as amended, so as to permit payment for overtime for Saturday service in lieu of compensatory time; without amendment.

EXECUTIVE REPORT OF A COMMITTEE

Mr. McKELLAR, as in executive session, from the Committee on Post Offices and Post Roads, reported favorably the nomination of Anna Schild Ellis to be postmaster at Watts Bar Dam, Tenn.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. OVERTON:

S. 2363. A bill for the relief of Percy Ray Greer, a minor; to the Committee on Claims.

By Mr. GLASS:

S. 2364. A bill for the relief of former First Lt. William J. Tepsic, One Hundred and Seventy-sixth Field Artillery; to the Committee on Military Affairs.

S. J. Res. 140. Joint resolution granting permission to Hugh S. Cumming, Surgeon General (retired) of the United States Public Health Service, to accept certain decorations bestowed upon him by the Republics of Colombia, Haiti, and Chile; to the Committee on Foreign Relations.

HOUSE BILL REFERRED

The bill (H. R. 6691) to increase the debt limit of the United States, to further amend the Second Liberty Bond Act, and for other purposes, was read twice by its title and referred to the Committee on Finance.

NOTICE OF MOTION TO SUSPEND THE RULE—ITEM VETO AMENDMENT

Mr. VANDENBERG. Mr. President, in connection with the amendment which

I submitted yesterday, with the intention of offering it subsequently to the independent offices appropriation bill, I file the usual notice in writing of a motion to suspend the rule, if necessary.

The VICE PRESIDENT. The notice will be received and printed in the RECORD.

The notice is as follows:

In accordance with the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing of my intention hereafter to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6430) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1943, and for other purposes, the following amendment, viz: at the proper place in the bill, add the following new section:

"Sec. —. When this act shall have passed the House of Representatives and the Senate and shall have been presented to the President for his approval, the President shall have power to disapprove any item or items contained in this act, in the same manner and subject to the same limitations as he may, under section 7 of article I of the Constitution of the United States, disapprove as a whole any act which shall have been presented to him for his approval. The provisions of such section 7 which relate to reconsideration shall also apply to any item or items so disapproved to the same extent as they apply to an act that has been disapproved by the President."

STRIKES AND LAG IN WAR PRODUCTION INDUSTRIES

Mr. GUFFEY. Mr. President, yesterday the junior Senator from Texas [Mr. O'DANIEL] read into the RECORD a number of telegrams concerning strikes and unemployment in certain industrial plants, without naming them. Later in the afternoon, I took the matter up with the War Production Board and the National War Labor Board, and I received the following information from the War Production Board, furnished to me at 5 p. m. yesterday:

That as of today—

That is, yesterday—

there is not a single man on strike in any plant in the country whose production is important or essential to war production.

The National War Labor Board advises that as of today they have 68 cases under consideration involving a total of 573,439 workers. Not one of these is on strike.

There may be here or there throughout the country a few scattered, isolated strikes, involving a mere handful of men, but they are not in any industry essential to war production.

Mr. VANDENBERG. Mr. President, supplementing the observations of the able Senator from Pennsylvania, let me say that whatever the facts may be, of course, they will speak for themselves; but I wish to read into the RECORD one sentence, speaking generally upon the subject of Mr. Nelson's address of last evening. I read from the New York Times:

Public wrath will destroy any agency of labor, management, or of the Government itself which interferes with the all-out production demanded for an offensive war.

I heartily concur in that statement.

Mr. O'DANIEL subsequently said: Mr. President, yesterday I read into the REC-

ORD several telegrams from good citizens of Texas, in which they expressed their indignation at the apparent complacency on the part of Congress and its failure to do something to speed up the production of war equipment. Those who sent the telegrams are under the impression that there is a lull in the production of the necessary war equipment. My worthy colleague from Pennsylvania [Mr. GURFEY] previously today referred to the telegrams which I placed in the RECORD yesterday. The Senator from Pennsylvania quoted some figures and statements from the War Production Board.

I now desire to corroborate the testimony from the citizens of Texas, which was placed in the RECORD yesterday, by quoting from a newspaper account of the speech made last night by Donald Nelson, who is Chairman of the War Production Board. I quote from the newspaper report of Mr. Nelson's speech, in part, as follows:

The public, Nelson said, is far from complacent and wants production with such intensity of feeling that it will make sure it gets it one way or another.

Indicating the possibilities of the drive he announced last week to raise existing production rates by 25 percent, Nelson said that if all equipment now involved in war production were used 24 hours a day, 7 days a week, we would practically double the man-hours now going into military production.

Nelson noted that 20 percent of American war plants now operate only 5 or 5½ days a week. Many plants, he added, close on Sundays. In many others the second shift uses only 40 percent of the plant facilities, and the third shifts use only 20 percent.

This, he concluded, means that thousands of machines needed for munitions work now stand idle part or all of every week end and from 8 to 16 hours every weekday.

In another illustration, the production boss said that if the facilities of all the Nation's 31 aircraft engine and propeller plants were used to the same extent as those of the 3 with the best records, production could be increased immediately by 25 percent.

Similarly, if all of America's 153 machine-tool factories operated at the same level of utilization as the top 3, machine-tool output would be stepped up by 45 percent, he said.

Mr. President, I think that statement, coming from Mr. Donald Nelson, proves conclusively, or should prove conclusively, as it does to me, that there is cause for alarm about the lag in our production of war materials. I simply wish to place that evidence in the RECORD to justify the alarm and corroborate the statements from citizens of Texas placed in the RECORD yesterday, and urge that the Congress, if it is possible, do something immediately to speed up the production of war materials.

SUN YAT-SEN DAY

Mr. THOMAS of Utah. Mr. President, tomorrow, according to our calendar, will be Sun Yat-sen Day in China. It will be the anniversary of the death of Sun Yat-sen, founder of the present Government in China.

I shall detain the Senate for just a moment or two with a message which I trust the people of America will understand and which I hope the people of China will receive some way or another, because I have in this message of mine a

personal message which has already been sent today by Gen. George C. Marshall, the Chief of Staff of the United States Army, to Generalissimo Chiang Kai-shek. I have been requested to make public this message, and I am very happy to do so, both because of its own importance and because of the importance of the subject with which it deals.

General Marshall's message is as follows:

On the seventeenth anniversary of the death of China's first President, I wish to congratulate you on your many years of success in promoting the democracy and defense of China and in advancing the teachings of modern China's founder. Our two peoples have long been politically sympathetic. Today military collaboration is bringing us even closer together. Americans are proud to recall the refuge, support, and encouragement which their country gave your leader in his long but tireless struggle for his people.

The message of General Marshall goes to the great Chinese leader, Chiang Kai-shek.

Mr. President, it was my privilege to see and shake hands with Chiang Kai-shek when he was a very young artillery student in Tokyo. From that day to the present I, of course, have watched his career and noted what he has been doing.

If Chiang Kai-shek is successful in uniting the Chinese people, and creating, in accordance with the great scheme of Sun Yat-sen and his "three people's principles," unity among the Chinese, he will stand out as one of the great men of all times.

It is interesting to note that this great general, while he is an officer of a political party and a member of a revolutionary party which is responsible for the present government of China, is recognized today by all the citizens of China as the universal commander in chief of all the Chinese. The factions have melted into a unity which expresses the one desire which the Chinese have, of repelling the enemy, and developing their land in accordance with old and well-thought-out principles.

Chiang Kai-shek has, for example, united the great ecclesiastical princes of Tibet with the leftist workers in China. He has brought the Mongolians into harmony with his endeavor, and I might state that probably never in all history has there appeared a man who has been able to attain universal support from what were opposition groups in the beginning quite as successfully as has Chiang Kai-shek. In fact, the unity attempted under Sun Yat-sen when the Chinese revolutionary party selected a flag of five colors to represent the elements of China has been accomplished a generation later by Chiang Kai-shek. In the selection of his subordinates, in the selection of those who are fighting with him the enemy from without, Chiang Kai-shek is careful to recognize all factions. Partisanship seems to have left him.

Modern China has the political and military task of assuming the practical initiative against Japan on the land side of operations. But, no less importantly, modern China has a moral leadership in the principles of humane political civilization; this moral leadership will be of

great benefit to the whole world, and is evidenced at this moment by the amazing unity, nonpartisanship, and courage of all China under the generalissimo's leadership.

There has likewise been with him at all times a realization that the significant thing about the Chinese revolution and the growth of the Chinese Government under his leadership must be the spiritual aspirations of the people and the realization of those spiritual aspirations. It is because he sees that it is only in a culmination of spiritual China that material objectives can be gained that Chiang Kai-shek has been able to bring about the unity he has accomplished among his people and is attaining success in the great revolution and the great war he is carrying on.

Mr. President, that Chiang Kai-shek is fighting for the benefit of the world is understood by all people who see eye to eye with the American people at the present time. That he is fighting for the ultimate benefit of the common man is understood by all. That he is with us a natural ally in this great struggle can be accepted without doubt if we will but study the aims he has and our aims in comparison with his.

Mr. President, one of the pleasant customs among friendly nations has been for many years the carrying on of a diplomatic interchange of greetings, salutations, and congratulations on various anniversaries, birthdays, and other commemorative periods. It is my belief that both the spoken and the unspoken words which have flowed between China and the United States in the last 3 months have meant a great deal more than polite recognition of the existence of celebrations in the two countries. I think that, particularly in the United States, there has been a new recognition of the brotherhood that exists between the two peoples. And it is my belief that the words of General Marshall are part of this new understanding.

I am not alone in believing in this time of war crisis that our country would have been better off during the last generation if our schools had taught our growing citizens a great deal more than they did about the Eastern Hemisphere. Had our people, for example, been more familiar with the designs of the war lords of Japan, with the pattern of militarism and unswerving loyalty to the ideals of conquest, subjugation, and ruthless despotism, our Nation would undoubtedly have followed our leaders more wholeheartedly in steps to prevent what is now happening in the Pacific.

Moreover, had our people become more familiar with the magnificent rebirth of China, with its epoch-making turn to political democracy under the leadership of Sun Yat-sen, our national realization of the bonds linking us to China would have led us into far greater support and encouragement than we gave, and into far more active collaboration in helping that great new republic to repel the barbarous invaders from Tokyo.

It is not my purpose here to lament the past, but instead on this anniversary to add to the words of General Marshall and those many others, who today are

speaking to China, my own feeling of happiness that in spite of the tragic events in the Pacific today, Americans now appreciate that our sister republic in the Pacific has been steadfastly holding the torch of the democratic way of life which our own Nation, also alone and unaided at first, helped to light more than a century and a half ago.

Sun Yat-sen is bound to remain in history as one of the great who has contributed to the advancement of the welfare of mankind. Sun Yat-sen's formula, the "Three people's principles," constitutes a program to bring forth a united China, a democratic China, and a Chinese Government established to promote the welfare of the people of China.

Persons wonder why it is that China and the United States are such natural allies. Have we not in the "Three people's principles" a restatement of the objectives of our founding fathers when they established our union? The Thirteen Colonies were brought together to make a strong government. This marked the birth of the American Nation. The Republican form of government was guaranteed to all the States in the Union. That constituted America's guaranty of a democracy. And the Constitution provides for the general welfare of the people.

Thus, China and America are natural allies in the attainment of liberty for persons and a government of the people which will act as the people's agent. The importance of China's position in the present war to save democracy cannot be overemphasized. Her fight and ours are indeed identical.

I am deeply impressed with the words of a statement issued today by Pearl Buck, the great novelist who has made China come to life for millions of Americans. She says:

It is well for us to remember in these days that great Chinese leader, Sun Yat-sen, for to him is due the beginning of the new China which has so heroically taken its place in the modern world of war and statesmanship. Sun Yat-sen saw the need for national unity and was himself a focus for that unity. If Sun Yat-sen could see China now, how proud he would be. All the grains of sand, as he once called the individual Chinese, have become a mountain of rock.

I believe, Mr. President, that besides the pride of which Miss Buck speaks, Sun Yat-sen would have felt tremendous happiness also had he lived to see the present association between China and the United States. He died in 1925, long before the latest series of attacks by Japan on China, but his basic belief in democracy envisioned a world in which Americans and Chinese would stand shoulder to shoulder for justice. His joy would be immeasurable to learn that this unity has now been achieved.

It is my belief that Sun Yat-sen is indeed alive today, in the one sense in which a man can live beyond his physical stay on earth.

We stand in a world of screaming shells, of horrifying torture, of terrifying military engagements. Nearly every quarter of the earth is wet with the blood of dying men. The bottoms of all the oceans are scattered with ships and bodies which have been destroyed. Battles are being lost and won by both sides.

We know that the United Nations will win this war, whatever immediate difficulties appear to be in the way. We know that the United States will help to win the war. We know that China will help to win the war. We know that our other allies will help to win the war. And when the war is won, we will know that Sun Yat-sen, long departed from this earth, will have been one of the principal participants, whose principles and whose influence built the new China and inspired the partners of China to go forth steadfastly until militarism will have been crushed from the world.

SPIES AND SABOTAGE IN THE UNITED STATES

Mr. LEE. Mr. President, almost every day the newspapers carry stories of sabotage in this country—train wrecks, plane crashes, explosions, fires, and so forth. Furthermore, the constant torpedoing of our ships off the Atlantic coast would indicate that Axis spies are active in this country, giving information on the departure of those ships.

It will be recalled that I have lifted my voice on the floor of the Senate for the past 3 years, calling attention to sabotage and espionage in this country and urging that we do something about it.

Almost 2 years ago—June 4, 1940—I said in the Senate:

We should increase the personnel of the Federal Bureau of Investigation and require the Army and Navy Intelligence immediately to increase their personnel in order to combat fifth column activities within the United States.

Again, about a year ago—May 15, 1941—I said in a speech in this Chamber:

The Government should set up at once a giant, correlated organization for combating foreign agents in this and other countries and for countering and offsetting propaganda at home and abroad.

Congress should appropriate \$500,000,000 for this organization.

Today the F. B. I. is doing fine work, but it is limited for the want of personnel. The same is true of the Army and Navy Intelligence services.

It is even more important now than ever before that the activities of foreign agents in this country be eliminated. Therefore, we should immediately make provision for the increase of trained personnel in our intelligence services, in order that our industries may be protected from sabotage and our war effort not slowed down by spies and propaganda from the Axis agents.

Mr. President, it is time for Uncle Sam to get tough with the enemies who are in the United States.

ADDRESS BY WHEELER McMILLEN AT FOUNDERS' DAY BANQUET, LINCOLN, NEBR.

Mr. BUTLER. Mr. President, Nebraska became a State on March 1, 1867. Each year on or near this date we in Nebraska celebrate this birthday anniversary in a State-wide meeting held at Lincoln, Nebr., the seat of our capitol. On February 28 last such a meeting was held. The speaker was Wheeler McMullen, prominent editor of Farm Jour-

nal and Farmers Wife, of Philadelphia, Pa. His address was inspiring and instructive, and, I am sure, will be of interest not only to Members of this body but to others who receive and maintain files of the CONGRESSIONAL RECORD. I ask unanimous consent that his address may be printed in full and made a part of my remarks in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE CHALLENGE OF HOPE (By Wheeler McMullen)

A new and bright star was added to the blue field of the American flag 75 years ago. The rising star of Nebraska was the thirty-seventh to be added to the blue field that symbolizes hope in the flag that stands for freedom.

The land of Nebraska was made into a State by men who lived in freedom. Most of them were men who had lately fought for the principles of union and freedom.

The founders of Nebraska, whom we honor by assembling here today, were men with hope. How many of them were great men—great in the sense of being above their fellows in ability and strength—I do not know. Doubtless great men were among them. I prefer to speak tonight of the others, of the plain and independent men who came to Nebraska with their families and simple possessions, with their teams and wagons and plows. Unless I have misread history, it was these plain men, the men with hope in their hearts and ambition in their hands, who turned the prairie wilderness into the great State of which you are rightly proud today.

The hope in the hearts of these pioneers, these true founders of Nebraska, was a tremendously important fact. Men and women, they knew, they could come to a new State and by their independent efforts make themselves homes and farms.

One can look back across the years and see them begin the building of Nebraska. A man set his plow into the rich, new soil and turned it over with hopeful visions of the crops to come. He strung his first fences with a picture in his mind of profitable herds soon to be grazing. A woman set things to rights in the temporary new shack, singing out her hope that before too long she would be mistress of a fine new house. Children grew up with the knowledge that with education, ability, and industry they might achieve more than was permitted to their parents. In the villages men started small businesses with the rightful hope that they would be increased into larger businesses.

Despite the set-backs and disappointments from time to time, the crops did grow, the herds fattened and went to market, the better houses were built, and the volume of business expanded. Men worked hard and worked joyfully, because work brought satisfactions and rewards.

Thus, because there was hope and incentive, Nebraska was built and grew rich and strong. Thus the West was built. Thus, indeed, America was built. Nebraska took part in the process that began more than a century and a half ago when freedom was established for men here in the western world.

Hope is one of the great forces that carries men forward. There is tragedy always when hope disappears.

Deep down among the causes for the sad condition of the world is the fact that whole nations of men began to find their hopes diminished or wholly lost. The situation, abroad as in the United States, was aggravated by the spread of an ignorant doctrine of poisonous falsity. Men were told that there were no more new frontiers to conquer. They heard there were no new lands to plow. They came to believe the tragic lie that no longer was there pioneering to undertake, be-

cause the world was built and its great works all finished, and the wealth all created and that someone, not themselves, had possession of it all.

The dictators and demagogues were quick to find their opportunities. In some parts of the world, whole nations set out to snatch by armed brutality what other nations had. In other instances the groups that had not been persuaded that they could improve their lots by wresting something from those who had.

We are in the midst of the consequences. And the end is not yet in sight.

The Republican Party has as one of its major obligations the great task of repairing the injured hopes of large numbers of Americans. I believe the party can be equal to that task, because Republicans have always been the kind of people who understood the forces that made America the land of opportunity. Republicans have known how to work with those forces for the greatest good to the greatest number. I expect that we shall meet the challenge of that need.

One of the great sources of our war power today is the presence of confident hope that we can win this far-flung conflict. Let me for a moment turn to this topic, which is the foremost preoccupation now of all of us.

Every American today finds that his one concern above all others is to do his part in winning the war.

In war or peace, loyalty to the Nation precedes loyalty to party. The course of the Republican partisan in these times is perfectly clear. His decisions will invariably be made with the national interest as his first consideration. Victory is the preeminent and paramount first.

To that end the Republican Party will certainly display the courage required to support the leadership now temporarily in power when that leadership is right. There must also be the higher courage to ignore the sniping of opposing partisanship whenever it becomes necessary to expose the mistakes of leadership. It would be a poor kind of nonpartisanship and a poor patriotism to support blunders. Upon Republicans is the clear and patriotic obligation to oppose misconduct of the war wherever it appears.

Certainly the people of the United States do not expect that Republicans will support defeat, nor any measures or lack of measures that promise to contribute to defeat.

In this desperate and total war every asset of the Nation must be brought forward ready for use. The military strength of the people is unprecedentedly dependent upon the economic strength of the people. Economic strength is measured by how much the people can produce; in other words, by the materials there are to work with and by how much work the people can do.

The degree of economic preparation is vital alongside the degree of military preparation. There has been a certain amount of futile and inappropriate recrimination over who has favored this or that item of military preparation. There may be considerably more justification in asking a few questions about the measures that have made for economic strength.

No one can deny that the primary requirements for victory are manpower, machine power, and producing power. In the light of this inescapable reality, may it not be proper now to ask what the New Deal has been doing through its 9 years of administration to increase the productive strength of the United States.

Has a needlessly huge debt—the product of years of reckless spending—increased our strength? Will social security win the war? Are we more powerful today because incentives for savings and for investment have been destroyed? Is our striking power greater because disunity and discontent have

been encouraged? Can we fight harder because dissensions have been multiplied among workers and employers? Are we stronger for having hoarded here the world's gold and silver? Are our men better equipped to fight because of reciprocal trade treaties? Can the people sustain the conflict better because, partly in consequence of those treaties, we have shortages now of vegetable oils and starches, of fibers and sugar?

To raise these questions now is only profitable as a preliminary to exploring the problem of what can now be done to assure a national productive economy of invincible strength?

Obviously, the Nation needs anything else but shortages in time of war. We have no alternative except to undertake to create or obtain, from some available source, the materials that are essential.

It may well be that while we are building up abundance for war we can at the same time open the way for abundance in time of peace. I suspect that we may discover here one of the processes by which hope for the long future can be rebuilt in the hearts of Americans.

The United States is now compelled to look for new sources of rubber. The expansion of synthetic rubber is now urged with scrambling haste. Efforts are being expended in the American tropics. All this is to the good. I cannot help but wonder, however, if simultaneously every rubber-bearing plant—and there are many besides the hevea tree—ought not immediately and thoroughly to be explored. We do not know that all the rubber needed cannot be grown on American farms—we do not know because we have never made any thorough search of what might be done.

Certainly it is no secret in Nebraska that all the sugar the country requires could, if necessary, be grown in the Nation's cane and beet fields. If still more were needed, there is sugar to be made from corn.

Thanks to a little research already done, no serious consequences will follow the severance of our accustomed imports of starches from the Dutch East Indies. The starches can be obtained from the sweet potatoes of the South or from the waxy soybeans of Nebraska.

Had as much research been done in another field, I am confident that we would need to experience no shortages of burlap. I don't know why it has seemed necessary to send halfway around the world to India for jute to make a fabric for wrapping Nebraska grain or southern cotton. Perhaps now we shall look closer at our own hemp and okra, milkweed and butterprint weed, and possibly find even better fibers.

Just now there are supply officers worrying about kapok, no longer likely to come from the East Indies, to fill life preservers and life rafts and to meet a score of accustomed needs. That worry will soon be over, no doubt, because the private research of one man has shown that the floss of common milkweed is a far better product than kapok. Each fiber of the floss is an air-filled tube, and therefore one of the finest of insulating materials. Then, each fiber is covered with a coating of wax which makes it almost impervious to water. With a coverall suit containing three or four pounds of milkweed floss, an aviator can work comfortably in the frigid temperatures of the stratosphere. Then, should he be shot down into the sea, the same suit will sustain him in water, I am told, for more than 100 hours.

These are but a few suggestions to point toward some of the possibilities of tomorrow.

Even here in the United States we have only begun to scratch the surface of our agricultural resources.

More than 300,000 species of plants are known to grow on the face of the earth. More than 15,000 grow right here in North

America. Only a few hundred have ever been cultivated as crops.

This is the era of the organic chemist and plant breeder. Every plant that grows ought to be examined in the light of the new knowledge, knowledge constantly being expanded, possessed by the chemist and geneticist. One plant alone—the soybean—has grown in production volume from 2,000 bushels in 1914 to 106,000,000 bushels in 1941 because the organic chemist has constantly discovered new uses for it and the plant breeders have constantly adapted it the better to suit the new uses. No one can know, until we have looked, how many more such opportunities await us in agriculture.

After the war that ended in 1918 a period of great prosperity was built around the rise and expansion of new industries. The automobile made employment for men and women in every corner of the Nation. The radio made jobs. Aviation began its rise. A vast chemical industry got under way, resulting not only in thousands of jobs but in tremendous new strength to the war effort of today.

I wonder if it could not be possible for agriculture to become the Nation's next big new industry. With the broad base of knowledge that has accumulated in the agricultural sciences, with the agricultural urgencies that confront us now in war, and with the broad realm of almost wholly unexplored possibilities for new agricultural products, I see no reason why this might not be.

Here in America we are blessed with almost every productive combination of soil, temperature, altitude, humidity, and kind of fertility that makes for plant growth. We have a great heritage of mechanical power. If we were once to decide to proceed with aggressive and comprehensive determination to make agriculture the true base of the national economy, there is no telling what blessings might be achieved.

For such an accomplishment, however, it will be necessary to face forward instead of backward. It will be essential, for one thing, to make sure that the farmers of the United States shall have, without question, the first preference in the markets of the United States. You can't import farm prosperity.

It will be necessary, too, that we be positive rather than negative. A strange idea has been attempted in recent years—the idea of paying farmers not to produce the things that are not needed in the United States.

I would propose that we do the exact opposite of that. I would propose that we pay farmers for producing the things we do need in the United States.

Had that kind of common-sense policy been in force these recent years, the Nation would not now be desperately short of vegetable oils, of certain fibers, and maybe not even of rubber.

Those who have favored the importation of competing farm products, on the ground that we must import if we are going to export, have been just about 100 percent wrong. They have overlooked the vitally important fact that production has more than one function. Production is a way of procuring goods. It is also a way of creating the earning power with which to buy goods. The Republican idea of creating earning power by providing Americans the fullest opportunity to produce is as sound today as ever, and by that I mean entirely sound.

We shall hear more in the years ahead about buying the products of other nations. I would point out that by increasing our productive power at home we shall be able to buy more from other nations than if we injure our domestic productive power. A high degree of self-containment and a flourishing international trade are not contradictory. Indeed, they go hand in hand,

because it is when domestic prosperity, created by domestic productivity, is at its highest that Americans are able to buy the greatest quantities of the foreign goods which are not supplied from our own resources.

Farmers constitute one-fourth of the Nation's population. Another one-fourth is made up of people in the small towns and cities whose entire income awaits the new product or the new dollar brought to town by a farmer. The two groups together make up half of the Nation. When that half is prosperous the other half also prospers.

The air is full these days of stupid predictions that there need be no depression after the war, because in some mysterious way the huge new wartime productive equipment will be kept going. The only way that it can be kept going will be to have a market for the peacetime products this equipment will manufacture. The most practicable method for creating such a market will be to build up, higher and more comprehensively than ever before, the earning power of the agricultural areas of the Nation.

I firmly believe that the great hope of America's future lies in the agricultural people and agricultural industries. The great challenge to the Republican Party, the challenge of recreating hope for the masses of people, may best be met by a sound and far-reaching agricultural program.

The Republican Party will not deserve to prevail unless it finds the way to put opportunity once again before the door of the little man in America. The plain, independent citizen is the fellow we need to be working for. There are millions of him in agriculture and in the activities that depend on agriculture.

For these millions our task is to recreate the atmosphere of hope. Mere security is the resort of despair. Security by itself is not enough for Americans. The plain pioneers did not come to Nebraska for security. They came for opportunity. They came with the understanding that opportunity meant opportunity to work. They knew that work meant producing. They knew that if they and the world were to have things the only way was to produce things. When we open the gate of production then we shall open the gates of hope.

Just now we've got a war to win. But we have a magnificent country to keep and build on through the years when the wars will be over. May it be our program then, as it was the program of the founders of Nebraska, to make this a country where each boy and girl may confidently hope to have the chance to earn themselves a home, and in that home to rear a family, and to expect the opportunity to work and live their years as free, independent Americans. May we, as Republicans, declare it our purpose under the flag of freedom to continue the United States as a land where more people are able and willing to support the Government than will ever be looking to the Government for support.

MORE SPEED, MORE WEAPONS—EXCERPTS FROM REMARKS OF SENATOR LEE

[Mr. LEE asked and obtained leave to have printed in the RECORD excerpts from speeches delivered by him in the United States Senate, which appear in the Appendix.]

WAR PRODUCTION—ADDRESS BY DONALD M. NELSON

[Mr. LEE asked and obtained leave to have printed in the RECORD a radio address delivered by Donald M. Nelson, Chairman, War Production Board, on Tuesday, March 10, 1942, which appears in the Appendix.]

ADDRESS BY HON. ALF LONDON ON, WHAT ARE THE AMERICAN PEOPLE AIMING AT?

[Mr. CAPPER asked and obtained leave to have printed in the RECORD a radio address on the subject What Are the American People

Aiming At? delivered by Hon. Alf Landon, at Kansas City, Mo., on March 8, 1942, which appears in the Appendix.]

THE SPIRIT OF NORWAY TODAY—ADDRESS BY CROWN PRINCE OLAV OF NORWAY

[Mr. BONE asked and obtained leave to have printed in the RECORD an address by Crown Prince Olav, of Norway, broadcast from Radio Station WNYC, New York, February 10, 1942, on the subject The Spirit of Norway Today, which appears in the Appendix.]

ADDRESS BY DR. MARC WILKINSON ON MUSSOLINI

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD a radio address on the subject Mussolini: A Paradox, delivered by Dr. Marc Wilkinson from Los Angeles, Calif., and published in The Union, of Pueblo, Colo., February 27, 1942, which appears in the Appendix.]

DOUBLE STANDARD—EDITORIAL FROM THE PROGRESSIVE

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an editorial from the The Progressive, of February 28, 1942, entitled "Double Standard," which appears in the Appendix.]

UNITY IN THE WAR EFFORT

Mr. WILEY. Mr. President, I wish to occupy the time of the Senate for only a few moments. I desire to comment on two letters which I received today, because I think they are worthy of the attention not only of this body, but also of those in the Government who spend the money which we appropriate.

Some of us have heard about the value of the widow's mite. We remember that incident in the Book of Books. The Master, commenting on it, said that the widow had given her all.

Today I received a letter from a little town back home. I read a part of it:

Yesterday morning our teacher rode to Janesville with me and she tells me that her pupils, approximately 35 of them, in a very short time, have gone out and worked and deprived themselves of candy and movies and are now the proud owners of about \$80 worth of defense stamps. They went out and shoveled snow and did any other odd jobs for neighbors.

Some of these children do not even own overshoes. Some of their parents are receiving relief. It is a real sacrifice for them when they buy a stamp.

If you can find time, I would appreciate it very much, and I am sure they would feel honored if they had a letter from you complimenting them on their work.

There is a postscript reading as follows:

Would appreciate it very much if you would show this letter to some of your colleagues, and maybe they will think twice before they will dip into funds that are built through such methods as this.

I ask that the letter which I wrote in reply be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON THE JUDICIARY,
March 11, 1942.

MY DEAR YOUNG FRIENDS OF THE LIMA CENTER SCHOOL: A letter from one of your proud citizens tell me how you loyal youngsters were sacrificing in order that you might

buy defense stamps and aid your country in this present war effort. I was informed that you have worked and deprived yourselves of candy, movies, and other things, and are now the proud owners of about \$80 worth of defense stamps—that you earned the money to buy the stamps by doing odd jobs, aiding your neighbors, shoveling snow, etc.

I realize that this means a personal sacrifice for many of you, but I know that you also are getting compensation a thousand-fold. The "good feeling within" that comes from doing a fine deed makes for better health and better character.

I feel proud of you young folks. We are engaged in a great battle for freedom. Other countries that were free as we are have gone down before the conqueror and are now enslaved. We must see to it that this does not happen here. It will not happen here if all the people forget their differences, join in a great effort and get production of planes, ships, tanks, and munitions.

I know that in the troublesome days up ahead you will continue to manifest the same unselfish devotion to your country.

Sincerely yours,

ALEXANDER WILEY.

Speaking in the Senate about 6 weeks ago I stated that I thought it was the function of Congress, when it appropriated money and when it raised money by taxation, to see that the money was well spent. I think that is more important now than ever before. We have just heard the distinguished Senator from Texas [Mr. O'DANIEL] comment on the very forceful and dynamic speech of Donald Nelson last night, in which he said, mincing no words, that if we do not get down to the job we shall be in slavery. Of course, he had in mind what happened to great peoples in Europe who did not get down to the job—peoples from whom many of us stem.

I shall not indulge in what Donald Nelson calls pencil pointing; but during the past few days there have been called to my attention a number of instances indicating in my humble judgment, that many of those who spend the money have not been sensible of their duty as trustees. I have in mind one instance, in connection with the building of small boats. Instead of the contracts being awarded to the lowest bidders, they were awarded to those who were asking two or three times the amount of the lowest bids. There may be justification for such a procedure. I am not arguing that point. I am simply saying that I think that in this period we should all be cognizant of our job as trustees. It is the people's money we are handling; and when an agent of the Government buys war material for the Government or builds cantonments, and dissipates much of the money, he is certainly recreant to his obligations.

In the same mail there came another letter, which I think is also very wholesome. The gist of the letter is that in Kenosha, Wis., labor, management, and all other groups of the citizens have got together. I read a paragraph from that letter:

You will note by the letterhead that this committee is composed of Government, labor, industry, and the general public, which is a true cross-section of a group of citizens vitally interested in the welfare of their community.

This committee has been very successful in aiding in the settlement of many con-

troverial subjects and conditions which would have been a detriment to our community, and we can truthfully say that the cooperation between Government, labor, industry, and the general public has been very gratifying and the results have been for the best interests of the community as a whole.

The first intent and purpose of this committee is an all-out effort for defense; secondly, community cooperation and understanding; thirdly, alleviation of distress.

The reason this letter was written is embodied in the following language:

We feel that the purpose and intent of this organization should be passed on to our neighbors, government officials, periodicals, and other worthy organizations who might profit from the experience enjoyed by the Kenosha Community Committee. We stand ready at all times to lend a willing hand and give what help we can to further the intent and purpose of this organization.

I ask unanimous consent that the letter which I wrote in reply be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON THE JUDICIARY,
March 11, 1942.

MR. GEORGE J. FRIEDL,
Secretary, Kenosha Community
Committee, Kenosha, Wis.

DEAR FRIEND: I want to thank you very much for your letter of March 4, 1942, in which you tell of an organization composed of a group of civic-minded citizens, which group has for its sole purpose that of creating harmony between labor, industry, and the public.

I think that you "have something here" in this set-up. In a post-war period understanding and reason and common sense will be needed more than anything else in America. When a man possesses these three qualities he is indeed a leader, and America needs now and will need even more in the future leaders of this type. There are those among us who find it to their advantage to create class hatred and division. We must beware of such folks. We have much of real value here in this land of ours. We want to perpetuate these great human values for ourselves and for future generations. And in my humble opinion the only way these values will be maintained is through the Christian understanding of our citizens. "Without vision the people perish."

May your organization continue to grow and benefit your own community and influence through its objectives and its beneficial work the Nation at large.

Sincerely yours,

ALEXANDER WILEY.

MR. WILEY. Mr. President, I am very much impressed by the contribution of children going through a Wisconsin winter without overshoes. I am also impressed by the common sense and the sense of balance which have come to the other community, in which government, management, labor, and all other elements recognize that they are in the same boat. They are willing to forego some of their little privileges in order that the boat may sail safely through the rapids. I trust that this attitude is symptomatic of that which will be general throughout the Nation. There should be no partisanship. Labor should sense its opportunity to demonstrate to the Nation that much of a derogatory nature which has been said about it is not true. Management should likewise step into the breach.

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If each element of society does its part, the result will be what Donald Nelson has said is so imperatively necessary.

LABOR DIFFICULTIES IN THE WAR EFFORT

MR. MEAD. Mr. President, yesterday I called the attention of the Senate to the defiant attitude of the president of the Toledo, Peoria & Western Railroad. This defiance has persisted, and he has refused to consider the agencies of Government, including the Conciliation Service of the Labor Department and the National War Labor Board. Last Saturday a representative of the Government was sent out to confer with him and with the railroad brotherhoods. He refused to see the representative.

A telephone call this morning indicates that he still maintains his defiant attitude. The railroad brotherhoods have agreed to arbitrate every question. They have said that there are things to arbitrate in the agreement which they would not ordinarily arbitrate, but that since Pearl Harbor they have been willing to arbitrate anything and everything.

The Government is closing in on this defiant dictator. I want the country and the Senate to know that in this case labor has agreed to arbitrate and that the employer is defiant.

While I am on that subject, Mr. President, let me say that there have been three cases of defiance which received the consideration of the National War Labor Board since a national agreement was reached between industry and the workers to arbitrate their difficulties. One of the three cases involved a union at Detroit, but within 3 hours, under the influence of their leader, the union members went back to work.

The second case of defiance was that of the Federated Fishing Boats of New England and New York, Inc. That defiance began prior to February 11. On February 11 the National War Labor Board issued a public statement, which, in part, contains this language:

The National War Labor Board unanimously decided that the "defiance of the Board" by the Federated Fishing Boats of New England and New York, Inc., and their "obvious lack of appreciation and understanding of the patriotic obligation which they owe America today in keeping war production going" has made it impossible for the Board to hold hearings on the merits of their dispute with the Atlantic Fishermen's Union, American Federation of Labor.

The attitude of the union is expressed in the following language:

The union will abide for the duration of the war by the national understanding that all employers and labor organizations shall not resort to strikes or lockouts in industries essential to the prosecution of the war.

In this case the employer has yielded, and a hearing will be held on this dispute tomorrow.

The third case of defiance, Mr. President, is the case of George P. McNear, hard-boiled president of the strike-bound Toledo, Peoria & Western Railroad, who continues to refuse even to see representatives of the Government, although the National War Labor Board, unanimously, the employees, the public, and the labor representatives have ap-

pealed to him to do so. I ask to have printed in the RECORD at this point a release by the National War Labor Board dated February 24, 1942, and a second release dated March 5, 1942.

There being no objection, the releases were ordered to be printed in the RECORD, as follows:

The National War Labor Board today set a hearing for Friday, February 27, on the dispute between the Toledo, Peoria & Western Railroad, Peoria, Ill., and the Brotherhood of Railroad Trainmen and the Brotherhood of Locomotive Firemen and Enginemen.

The hearing, which will be before the full board, will be devoted to a discussion of the procedure which should be adopted in a final disposition of the case on the merits.

This dispute over wages, hours, and working conditions has resulted in a strike since December 28, affecting 104 employees of this railroad, which is the freight belt line bypassing Chicago.

The National War Labor Board today announced that, pursuant to the Board's request, the National Mediation Board had directed its mediator, John F. Murray, to proceed to Peoria, Ill., to draw up the arbitration agreement ordered by the War Labor Board in the dispute between the Toledo, Peoria & Western Railroad and the Brotherhood of Locomotive Firemen and Enginemen and the Brotherhood of Railroad Trainmen.

Robert F. Cole, secretary of the National Mediation Board, sent the following telegram to George P. McNear, Jr., president of the railroad; D. B. Robertson, president, Brotherhood of Locomotive Firemen and Enginemen; and A. F. Whitney, president, Brotherhood of Railroad Trainmen:

"Pursuant to order issued by the National War Labor Board under date of February 27, 1942, in dispute between Toledo, Peoria & Western Railroad and its train, engine, and yard service employees, represented by the Brotherhood of Locomotive Firemen and Enginemen and Brotherhood of Railroad Trainmen, directing that the parties proceed to submit their controversy to arbitration under an arbitration agreement as provided in section 8 of the Railway Labor Act, and the subsequent request of that Board that the Mediation Board effectuate the above-mentioned order, the National Mediation Board, under authority vested in it by section 4 of the Railway Labor Act, has directed Mediator Murray to proceed to Peoria, Ill., for the purpose of drawing up the arbitration agreement ordered by the National War Labor Board. Mr. Murray will be at the Jefferson Hotel, Peoria, Ill., at 10 a. m. Saturday, March 7, 1942, and you are requested to have your representative meet with him at the time and place herein designated. Please advise who will represent you."

UNINTERRUPTED WAR PRODUCTION

MR. LEE. Mr. President, we must redouble our efforts in production. I believe this can be helped by preventing any stoppages in production. This can be done by passage of legislation to prevent lock-outs and strikes.

It is my belief that what America does in the coming months will determine our future for centuries. Of course, it is true that we are trying to do in a few months what the Axis has taken 7 years to do. Nevertheless, it must be done.

Mr. President, I was opposed to strikes and lock-outs in defense industries long before the United States was in this war. Certainly, if I was opposed to them before Pearl Harbor, I am even more opposed now.

For more than 2 years I have urged with all my might that production be uninterrupted and that we redouble all efforts to increase production.

On June 4, 1940, I said:

In the interest of our own security the United States should redouble its efforts toward national defense. * * *

If we should suddenly be catapulted into war we would double our present efforts. Therefore we must double our present efforts now. * * *

All factories manufacturing planes, tanks, and guns should be placed on a 24-hour schedule. * * *

We should divert as much of the Work Projects Administration funds as possible * * * to the construction of national defense projects, such as military highways, air bases, underground depots, permanent military barracks, etc.

Again, Mr. President, on May 15, 1941, in a speech on the floor of the Senate, I recommended that the 40-hour week be suspended.

I am happy to state that one of the large newspapers in Oklahoma has finally caught up with my own idea and is now putting on a campaign to help sell it to me. It has flooded my office with telegrams urging that Congress carry out the same recommendation which I made a year ago. I am glad to have its support.

I quote from my remarks as they appeared in the CONGRESSIONAL RECORD of May 15, 1941:

* * * The President should immediately declare a war emergency and urge that all industry be placed on a wartime basis. The 40-hour week should be relaxed in its application to technical workers of whom there is a shortage. All industries should be placed on a 24-hour basis and 7-day week as rapidly as possible. The production of peacetime luxuries should be reduced to the minimum. All industries now manufacturing automobiles and similar peacetime supplies should be turned immediately to the manufacture of planes, tanks, and guns.

Such a move on the part of the President is necessary in order to bring our production to its peak. It is now obvious that we cannot continue under a business-as-usual psychology and overtake the production of a country like Germany, which for 7 years has devoted its entire energies to war production.

Again, Mr. President, in April of 1941, I warned labor against strikes, and urged labor to eliminate the labor-leader racketeers from its ranks. I quote from the remarks I made in the Senate at that time:

Mr. President, I say to the laboring man: "Clear your own ranks of unpatriotic members. Set your house in order. * * *

"When you walk out on a strike at this critical hour you disarm us. * * *

"No man in the history of the world has ever done more in the same period for the laboring man than has Franklin D. Roosevelt. Surely, laboring man, you must see that industrial strife at this time is embarrassing this great champion of your own cause. * * *

"I ask you to submit your cause to the proper authorities, but to keep the wheels turning. It is for your own cause, your own children, and your future."

Furthermore, Mr. President, last year, in order that my own people in Oklahoma might know that I was opposed to strikes in defense industries, I made a public address in Oklahoma City before

the junior chamber of commerce over a State-wide radio hook-up. Later that same day I addressed a joint session of the State legislature at the capitol. Both speeches were made without manuscript, but on both occasions I made it plain that I was opposed to strikes in our defense program. Mark you, that was before we were in war.

Furthermore, last fall I addressed the chamber of commerce at Pryor, Okla., at a luncheon which was attended by several hundred people. Again I spoke without manuscript. At that time strikes were actually holding up production. In that address I made it plain that I was opposed to the policy of appeasement toward Japan, Vichy France, and the strike situation.

Mr. President, I have recounted these public commitments on this question in order to refresh the minds of those who may have forgotten that I was advocating suspending the 40-hour week and was advocating uninterrupted production long before some of my critics had awakened to the fact that this country was in danger.

Mr. President, several antistrike bills are pending before the Senate. I have been ready to act on this question ever since the House passed one such bill and sent it to the Senate. I thought we would act on it immediately. I was ready then to vote for legislation to prevent any stoppage in defense production. That was before war was declared; and I am even more eager now.

I am not a member of the committee which has charge of the antistrike bill, but I wish to quote from the Senator from Mississippi [Mr. DOXEY], who is a member:

Shortly thereafter, on the 7th day of December, the tragedy of Pearl Harbor occurred.

After this treacherous act, we, of course, declared war. Then various heads of the governmental departments, leaders of capital and labor, and the unions, and other interested groups, appeared before the Education and Labor Committee of the Senate and appealed for unity. The various labor groups and union representatives assured us that we all had one supreme purpose and that as to win this war. Nothing should be done to cause disunity.

Everyone hoped that the all-important labor problem would at last be finally solved; and we all bent our efforts accordingly. We were told that we must not do anything to cause disunity; that there was no need of any drastic antistrike legislation; that we should all spend our time working and cooperating to win this war; and that there certainly would be no more strikes.

So that our committee did not push, and has not pushed antistrike legislation; for we were promised by the representatives of both capital and labor that all would unite and that war production would not be interrupted for at least the duration of the war. Because of these many assurances, the course suggested appeared to be the wise, patriotic, and proper plan to pursue.

Let it be remembered that great strides in war production have been made. The vast majority of labor and capital have united and worked to carry out their promises and high resolve. But it must also be noted that a small percentage of those employed have not put forth their every effort to bring about all-out production in our defense plants and have continued to strike, and in this critical hour have retarded and hampered our war program. * * *

Industry, like labor, except in rare cases, has been just as patriotic in backing the war aims of the Government; but stoppages, walk-outs, lay offs, strikes, and interferences in our defense plants must stop.

Mr. President, I wish to state that organized labor has kept its pledge of uninterrupted work. There has not been a single authorized strike in a war industry since that pledge was made.

The strikes and interferences referred to by the Senator from Mississippi [Mr. DOXEY] have been the result of a small percentage of labor and management groups. The big labor organizations have not authorized a single strike or walk-out since their pledge was given. On the other hand, they have increased production tremendously and are at this hour patriotically doing everything possible to speed up production.

The bona fide labor organizations have themselves helped to put an end to the small amount of strife which has occurred since they gave their pledge.

Mr. President, the thing we are all interested in is the maximum amount of production. We believe that we can get that in America by the voluntary work of free Americans.

Yesterday I called Mr. Donald Nelson on the telephone and asked him if it were not true that much of our production is now ahead of schedule. He said that it is. He further said that the big leaders in labor and management are not only not giving any trouble but are cooperating 100 percent in production. He did suggest that there are some small interferences down the line.

Then, again, Mr. Nelson in his splendid radio speech last night pointed out to the Nation that we can further increase production by placing all shops and industries on a 24-hour basis. Mr. Nelson made no recommendation for legislation to help carry out that purpose; but I am here and now asking Mr. Donald Nelson to make a recommendation to Congress for any law or regulation that will in any way help speed up production, and I pledge myself to actively support such a recommendation.

Mr. President, I go further than that and make the statement that, although the different labor bills were temporarily laid aside under the belief that they were not needed, since the big labor organizations had voluntarily agreed that there shall be no strikes or lock-outs during the war, nevertheless, now that there have been some exceptions to this fine pledge of loyalty, I believe we should enact such legislation at once.

Furthermore, I believe that racketeering should be prevented. It is not right for Americans to have to pay for the privilege of working. I have heard that exorbitant fees have been charged before workers could get employment. If this is true, it should be stopped at once. The industrial profiteer and the labor racketeer must both be eliminated.

This is an industrial war, and we cannot tolerate any disloyalty in production any more than we can on the battlefield. There is no time for lock-outs and strikes. They must stop. The wheels of industry must be kept turning; production must be uninterrupted, as

our President has said. To that end, I pledge my active support.

Mr. President, for us to do less than our utmost to guarantee uninterrupted production of weapons is to fail the soldiers who are now fighting so gallantly for our liberty in the foxholes of Bataan.

SENATOR FROM NORTH DAKOTA

The Senate resumed the consideration of the resolution (S. Res. 220), which is as follows:

Resolved, That the case of WILLIAM LANGER does not fall within the constitutional provisions for expulsion or any punishment by two-thirds vote, because Senator LANGER is neither charged with nor proven to have committed disorderly behavior during his membership in the Senate.

Resolved, That WILLIAM LANGER is not entitled to be a Senator of the United States from the State of North Dakota.

Mr. LUCAS. Mr. President, yesterday when the Senate took a recess until today the Senator from Illinois was discussing the last charge in the report submitted by the majority of the committee, which charge involves the bond and real-estate transaction between Senator Langer and Mr. Brewer and Mr. Brunk. However, before going further into the details of that charge of moral turpitude, I desire to refer back to some questions which were asked yesterday by certain Members of the Senate as to matters with which the Senator from Illinois was not completely familiar at that time. One of the questions discussed throughout yesterday's debate was the contract made and entered into on the 27th day of May 1937, between Thomas V. Sullivan, of Chicago, and WILLIAM LANGER, of Bismarck, N. Dak. The majority report contained only a portion of that contract. It is not the intention of the committee to keep any of the evidence from Members of the Senate. However, there are some 4,600 pages of evidence in the transcript taken by the investigators, and some seven or eight hundred pages taken in the public hearings before the committee as a whole. In view of the fact that the contract seems to be of some importance, and is not long, I ask unanimous consent that the clerk read the contract to the Senate.

The VICE PRESIDENT. Without objection, the clerk will read as requested.

The legislative clerk read as follows:

[Langer Exhibit 118]

AGREEMENT

This agreement made and entered into this 27th day of May, 1937, by and between Thomas V. Sullivan, of Chicago, Ill., party of the first part, and WILLIAM LANGER, of Bismarck, N. Dak., party of the second part.

Whereas the party of the second part is the owner and in possession of 500 shares of stock of the Land Finance Co., a North Dakota corporation, and is desirous of selling the same and the party of the first part is desirous of purchasing the same.

Now therefore, in consideration of the sum of \$25,000 the party of the second part agrees to transfer and deliver to the party of the first part 500 shares of said stock and the party of the first part agrees to pay the sum of \$25,000 for said stock, being par, plus accrued interest. The payment of \$5,000 on said stock is hereby acknowledged and the balance is to be paid at periods not to exceed 6 months each, in equal installments of \$5,000.

In testimony whereof both parties have set their hands and seals this 27th day of May, 1937.

THOMAS V. SULLIVAN.
WILLIAM LANGER.

Mr. LUCAS. I should like to have it noted that the agreement, which has just been read, is an exhibit of Senator LANGER in the committee's record.

Mr. VANDENBERG. Mr. President—

The PRESIDING OFFICER (Mr. STEWART in the chair). Does the Senator from Illinois yield to the Senator from Michigan?

Mr. LUCAS. I yield.

Mr. VANDENBERG. There is one phase of this particular transaction which I should like to straighten out in my mind, if I can. What is the date of this contract?

Mr. LUCAS. May 27, 1937.

Mr. VANDENBERG. What is the date when the claim was filed against the Mexican Government?

Mr. LUCAS. I am not sure about that, but I believe it was sometime after the date of the contract. Is not that correct, I will ask Senator LANGER?

Mr. VANDENBERG. I think it is rather important.

Mr. LUCAS. I thought the Senator from North Dakota knew about it, but it appears he does not care to answer. I shall obtain the information and discuss it later. I will say it is an important matter, because it is very apparent, if the claim was filed after the contract, that they must have thought that there was very little value in the Mexican land stock in Mexico.

Mr. VANDENBERG. I desire to be quite frank about my point of view in connection with it. My recollection was that the date of filing the Mexican claim was approximately in this same calendar area, which would indicate, if I am correct, that the only value to the stock at the time it was sold was not the value of the property but the value of the claim against the Mexican Government.

Mr. LUCAS. I think Sullivan's testimony offers some information on that point, and I shall go into that a little later.

Mr. VANDENBERG. Very well. Then I should like to have the Senator in connection with it when he gets around to it advise me whether the Mexican claims filed in respect to this property is a part of the Mexican claims which were recently settled on the basis of \$15,000,000 total for \$375,000,000 worth of claims. I want to know was this a part of that settlement.

Mr. LUCAS. I shall ascertain that. On what percentage, may I ask the Senator, was the settlement made on the basis of a dollar?

Mr. VANDENBERG. It is a lump-sum settlement, and it still remains to be determined who will get any part of the \$15,000,000; but there are only \$15,000,000 available of \$375,000,000 claimed.

Mr. LUCAS. It would be about 4 percent, would it not?

Mr. VANDENBERG. Yes.

Mr. LUCAS. I am glad the Senator brought out that point, because it is important, in view of the fact that the Sen-

ator from North Dakota indicated yesterday that he would, when the time comes, show that this land was worth all that was paid, and more than the claim which was put in for it.

Mr. VANDENBERG. The answers to questions I submitted to the Senator would finally settle for me the question of whether or not this was a valid transaction for value received.

Mr. LUCAS. I think it is a very important question, and I shall go into it before I finish my argument.

Mr. President, I go back to yesterday's discussion in the Senate with respect to the question the senior Senator from Montana [Mr. WHEELER] asked in regard to the assessed valuation placed upon railroad property in North Dakota for the years previous and subsequent to 1937 and 1938, when Senator LANGER was Governor of the State.

I think the majority report dealt only with 1937 and 1938. The Senator from Montana thought it important, and so, for his benefit, I shall read into the RECORD the figures showing the yearly assessed valuation of the Great Northern Railway Co., beginning with the year 1930.

The assessed valuation in 1930 was \$33,294,688; in 1931 it was \$82,999,997; in 1932 it was \$78,850,024; in 1933 it was \$78,832,888; in 1934 it was \$70,859,259; in 1935 it was \$71,581,360; in 1936 it was \$70,760,060; in 1937 it was \$63,779,715; in 1938 it was \$60,480,648; and in 1939 it was \$61,052,793.

In 1940 there was a further increase over the \$61,052,793 assessed in 1939. Mr. Smith, the investigator, is out for the moment, and I cannot give the exact figures, but I have stated the total assessed valuation laid down both by the courts in the earlier days of North Dakota, when they had the responsibility for making the assessment, and later on by the board of equalization which took over that work in 1937 under the laws passed by the Legislature of North Dakota.

If there are any questions on this point I should be glad to answer them at this time.

I have been reading from LANGER's exhibit 114.

Mr. President, some question has been raised as to the testimony given by Senator LANGER and Mr. Gray, the commissioner of North Dakota at that time, with respect to the total amount of reduction in taxes in 1938 as a result of the reduction in the total assessed valuation of some \$3,000,000. I should like to read from LANGER exhibit 115, which is the proceedings of the State Board of Equalization of North Dakota for 1938. I read from page 82. There is set forth a long whereas, which I shall not read, and getting down to the resolving part, it reads:

Therefore be it

Resolved, That, according to its best judgment, this board does hereby ascertain and fix the actual value, for assessment purposes, of the franchise and operating property, consisting of roadway, roadbed, rails, and rolling stock of each of the several railroad companies within the State of North Dakota at the aggregate amount shown in the following schedule, and each of said railroad companies be, and is hereby, assessed

for the year 1938 at the amount appearing opposite its name.

Great Northern Railway Co., \$60,480,648.51.
Northern Pacific Railway Co., \$40,179,234.33.
Minneapolis, St. Paul & Sault Ste. Marie Railway Co., \$8,179,650.81.

This resolution was offered by Mr. Hagan, who moved its adoption, which motion was seconded by Mr. Owen.

After that was disposed of—

It was then moved by Mr. Gray, seconded by Mrs. Baker, to amend Mr. Hagan's motion to accept the computed figures in the case of the Great Northern Railway Co. and raise the computed figures in the case of the Northern Pacific \$4,000,000; lower the Minneapolis, St. Paul & Sault Ste. Marie Railway Co. from \$8,179,650.81 to \$7,179,650.81; lower the Chicago, Milwaukee, St. Paul & Pacific Railway Co. from \$4,469,308.44 to \$4,269,308.48—

And so forth. In other words, the motion was made by Mr. Gray that the tax assessment on the Great Northern, in the sum of \$60,000,000, and the tax assessment on the Northern Pacific, in the sum of \$40,000,000, be increased \$4,000,000 each.

Upon roll call on the amendment Governor Langer voted "no"; Berta E. Baker voted "aye"; John Gray voted "aye"; John Hagan voted "no"; Owen T. Owen voted "no." Amendment declared lost.

The testimony of John Gray was taken by investigators on behalf of the Committee on Privileges and Elections, and this is what he said:

Mr. SMITH. Give your name and address for the record.

Mr. GRAY. My name is John Gray. Address, Bismarck.

Mr. SMITH. And you are at present tax commissioner?

Mr. GRAY. I am tax commissioner at the present time.

Mr. SMITH. Were you tax commissioner in 1937 and 1938?

Mr. GRAY. I was State treasurer.

Mr. SMITH. State treasurer?

Mr. GRAY. I was a member of the board of equalization.

Mr. SMITH (to the reporter). Will you mark this document "Exhibit 1-B" as of this date?

Whereupon the document was marked.

Mr. SMITH. Mr. Gray, I show you a document consisting of three pages, a document entitled "Railway Taxes" taken from an official report made by Attorney Clyde Duffy and ask you to state whether or not that is a brief statement of the facts with which you are familiar.

Mr. GRAY. Yes. At least that first page is all right. I see nothing wrong with that.

The second page, I didn't know that T. V. Sullivan was employed in 1937. First time I ever heard of it.

Mr. SMITH. You didn't know that at the time?

Mr. GRAY. No, I didn't.

Mr. SMITH. And when was it first brought to your attention that Mr. Sullivan had any connection with the matter?

Mr. GRAY. That would be some time in the fall of 1938 when we were fighting about the '38 assessments.

Mr. SMITH. What information reached you later that indicated that Mr. Sullivan had been engaged for the railroad?

Mr. GRAY. Well, in the railroad report to the Railroad Commission showing the amount paid him as special counsel which is indicated in this statement I have here before me.

Mr. SMITH. Mr. Thomas V. Sullivan not having appeared before your equalization

board and not having called on you personally as one of the members of the equalization board, you were not aware that he was in the case and had no notice in the record in the proceedings before your body that he was of counsel; is that true?

Mr. GRAY. There is no record of his appearing in that connection at all in the report of the State board of equalization. No record.

Mr. SMITH. In the statement contained in the last half, the last part of the second paragraph, to wit: "On August 26, 1938, the board, then consisting of Langer, Baker, Hagan, Gray, and Owen, reduced the valuation to \$60,480,648.51."

And the next sentence, "Gray and Baker voted to increase the valuation by \$4,000,000, but such motion was rejected by Langer, Hagan, and Owen."

Do you recall that that is a correct statement or not?

Mr. GRAY. That is substantially correct.

Mr. SMITH. Then, on page 83 of the report of the Board of Equalization of the State of North Dakota for the year 1938, where you are quoted as saying, "I would like to explain my vote on this amendment because the valuations according to my idea have not been established on a scientific basis nor have the computations of the tax department been followed"; is a correct statement of the position that you took on that occasion?

Mr. GRAY. That is a correct statement.

Mr. SMITH. Now, could you state whether this action taken in August of 1938 resulted in a substantial reduction or increase of railway taxes in North Dakota?

Mr. GRAY. Approximately \$150,000 reduction in the taxes.

Mr. SMITH. Now, since that, 1938, what has it been in even millions, the assessment for the Great Northern for 1939 and '40?

Mr. GRAY. In '38 it was \$60,480,648.51.

Mr. SMITH. This action you took in 1938 was on 1937 valuation?

Mr. GRAY. No; we fixed each year for the current year.

Mr. SMITH. For the current year, not for the past year?

Mr. GRAY. No; we set it for the current tax year.

In 1938 we set it for the 1938 tax set-up payable in the next year.

Mr. SMITH. In 1939 you fixed the valuation at what figure?

Mr. GRAY. \$61,052,793.

Mr. SMITH. In 1940?

Mr. GRAY. In 1940 we increased it to \$62,652,912.

Mr. SMITH. Is that approximately what the court had fixed in the last Federal suit that had been maintained?

Mr. GRAY. It is a little below that.

Mr. SMITH. Very little below it. And the current year?

Mr. GRAY. For this year, \$63,278,204.

Mr. SMITH. Was Tom V. Sullivan, of Chicago, known to your equalization board as an authority in railway tax matters?

Mr. GRAY. I have served on the board and attended practically every meeting beginning with 1933 and have never seen or heard of T. V. Sullivan in any action before the board at any time.

Mr. SMITH. Are you more or less acquainted with the attorneys who specialized in public-utility tax matters in this area?

Mr. GRAY. Only as they appear before the board with briefs, arguments.

Mr. SMITH. You have defended and been a witness and one of the respondents in suits in the United States court and in the circuit court of appeals of this circuit from time to time, have you, Mr. Gray?

Mr. GRAY. I have not.

I have attended several sessions, and I have never seen Tom Sullivan in court.

Mr. SMITH. And you, then, you don't, of your own knowledge, know of Mr. Sullivan

in connection with tax litigation by public-service railway companies?

Mr. GRAY. I do not.

Mr. SMITH. I think that is all, unless you think of something that would serve to enlighten the committee about this.

Mr. President, the testimony of Gray with respect to the \$150,000 is in dispute here, and undoubtedly the dispute arises out of the fact that the \$150,000, as computed by Mr. Gray upon this important matter, was computed upon the basis of what the situation would have been had his motion prevailed, and the \$4,000,000 increase attached to the assessment made the board of equalization—that the total amount would have been in the neighborhood of \$150,000.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. ELLENDER. The Senator referred to some of these assessments having been ventilated before the courts. Does the Senator know whether or not this additional assessment, which was made over the protest, as I understand, of Senator LANGER, was affirmed by the court?

Mr. LUCAS. No; it is my understanding that the Legislature of North Dakota in 1937 passed a law whereby the matter was taken completely out of the hands of the Federal court, and the assessment made by the board of equalization was final. But up to that time it had been a matter for determination by the Federal courts. They had had a tremendous amount of trouble with it in the past, so the legislature took it over.

Mr. ELLENDER. How many members were there voting?

Mr. LUCAS. Five members.

Mr. ELLENDER. Three against and—

Mr. LUCAS. Three against the amendment offered by Mr. Gray and two supporting his amendment. There were only five members of the board of equalization.

Mr. ELLENDER. The Gray motion lost out?

Mr. LUCAS. That is correct; the Gray motion lost. In view of the fact that Gray made an explanation of his vote, which I have read into the RECORD, I shall return to that matter later.

Mr. ELLENDER. Will the Senator answer one more question?

Mr. LUCAS. I yield.

Mr. ELLENDER. As I have understood, Gray was then treasurer.

Mr. LUCAS. Yes; John Gray was State treasurer.

Mr. ELLENDER. Was that an elective office?

Mr. LUCAS. I rather think it was. I am not positive. William Langer was Governor, Birdie E. Baker was State auditor, John Gray was State treasurer, John Hagan was commissioner, and John Owen was secretary of the State board of equalization.

Mr. ELLENDER. I have been reading somewhere, whether in the report of the committee or in the printed evidence, something which led me to believe that Gray was elected as tax assessor, or commissioner. Was that during the term of Mr. LANGER, or afterward?

Mr. LUCAS. In 1938?

Mr. ELLENDER. In 1938.

Mr. LUCAS. That is possibly true.

Mr. ELLENDER. Does the record show what Mr. Gray did in order to increase these assessments to what he thought they should have been? The Senator pointed out that Mr. Gray attempted to raise the assessment of the taxpayer in question \$4,000,000. Mr. Gray lost out in that attempt. Was there any other effort made by him after he became tax commissioner to increase that assessment in accord with his previous views.

Mr. LUCAS. He could not do that. I do not believe he had the power to do so after the board of equalization passed upon the matter.

Mr. ELLENDER. No; I mean the next year after he was elected commissioner.

Mr. LUCAS. Yes; it was increased each year after that, and even increased this year.

Mr. ELLENDER. To what extent?

Mr. LUCAS. I read that a moment ago. I think the Senator has it.

Mr. ELLENDER. I wonder if the amount of increase was in accord with Mr. Gray's proposal for increase? Here is the tax commissioner's report. Will the Senator indicate from that report the extent to which the assessment was actually raised from 1937 to 1938, and how that compared with the amount of increase which Mr. Gray attempted to make?

Mr. LUCAS. I can only read from exhibit 114, which shows that the assessment was raised from \$60,480,000 in 1938, to \$61,052,793 in 1939. I do not have the proceedings before me. Under the law Gray, of course, was still simply a member of that commission. I do not think the record shows what he tried to do. It may show, but I do not know.

Mr. ELLENDER. But the record shows that the assessment was not increased to the extent that Mr. Gray advocated?

Mr. LUCAS. No; the assessment was not increased in 1938 to the extent he advocated, because he was outvoted in the commission. Whether he was outvoted in the following year I do not know. I do not think the record shows in this case.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MURDOCK. I think the Senator read that in 1939, after Gray had become tax commissioner, the commission increased the valuation for tax purposes of the Great Northern Railroad less than \$1,000,000—that is, I refer to the 1939 valuation over the 1938 valuation.

Mr. LUCAS. That is correct.

Mr. MURDOCK. Then in 1940 it was increased again, as the Senator read the figures?

Mr. LUCAS. It was increased about \$1,600,000 the next year.

Mr. MURDOCK. Yes. And then in 1941 it was again increased?

Mr. LUCAS. Yes. It went from \$62,600,000 in 1940 to \$63,300,000 in 1941, about \$700,000.

Mr. MURDOCK. About \$700,000. So under the supervision of the State tax

commissioner, Mr. Gray, who wanted to raise the valuation \$4,000,000 in 1938, it has not been raised that high in the year 1941? Is that correct?

Mr. LUCAS. Of course, we cannot say "under the supervision of Mr. Gray," because he is still simply one member of the board of five.

Mr. MURDOCK. But he is the State tax commissioner.

Mr. LUCAS. Yes; but as I read a moment ago, he is a member of a board of five which fixes the valuation, and he has only one vote. Whether he was outvoted each year, or what his position was, I do not think the record shows.

Mr. MURDOCK. Unless I am mistaken, as State tax commissioner he really should have, and I believe under the statute he has a little more prestige than simply an ordinary member of the commission?

Mr. LUCAS. Well, I was chairman of my State tax commission for several years, and I was outvoted occasionally.

Mr. MURDOCK. That is hard for me to believe.

Mr. LUCAS. I was.

Mr. MURDOCK. During those years, of course, 1939, 1940, and 1941, Governor Langer was not on the commission.

Mr. LUCAS. No; he was not officially connected with it at all. So far as Governor Langer was concerned, he had close friends on the commission, but he had no official connection with it.

Mr. ELLENDER. Can the Senator tell us whether any of these commissioners, that is, the five men who voted on these tax questions, were appointed by Governor Langer, or were they all elected officials?

Mr. LUCAS. Of that I am not sure. I think perhaps one was appointed by Governor Langer. That was the tax commissioner and secretary to the board of equalization, who was Owen T. Owen. I think that is true. If it is not true, Senator Langer can, from his knowledge, correct it. I think that is what the records show.

Mr. President, statements were made here yesterday that the Senator from Illinois was not producing enough evidence for the benefit of the Senate. It was the hope of the committee which drew the majority report, that we might be able to annotate and abstract the evidence in such a way that we would not need 2 weeks or more of the Senate's time by introduction of evidence. Far be it from the Senator from Illinois—I do not see my friend the Senator from Michigan [Mr. Brown] here—far be it from the Senator from Illinois to withhold anything from the record that ought to go in, and if the Senate desires a great deal more evidence, of course, I shall ask for unanimous consent to have the clerk read a large amount of this testimony into the Record.

However, I do not want to do that, and I do not think it is fair to the Senate to do so. I do not want to encumber the Record with a great deal of this testimony. I will say now, however, for the benefit of the Senate, that anyone who wants to read all the testimony of Thomas Sullivan in connection with the entire transaction, part of which is given

in the majority report, can find it in Book VIII. Testimony taken in re: Protest to the seating of WILLIAM LANGER, Senator from North Dakota. From August 19, 1941, to August 22, 1941.

If any Senator wants to take the time to peruse these lengthy exhibits, the investigator, Mr. Smith, will be glad to meet with him at any time and make available any exhibit or any document we have in our possession. It certainly is not the intention of the committee to withhold anything from the Senate with respect to this matter.

Unless there is a question that some Senator desires to ask about the testimony of Thomas Sullivan—

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. ELLENDER. Would the Senator be able to point out any evidence in the Sullivan testimony that would indicate that this contract was entered into under suspicious circumstances, or that it was not done in the ordinary course of business, or that there was something mysterious connected with it.

Mr. LUCAS. Since the Senator asked for this testimony I shall read a part of it. On page 3964 of this testimony Mr. Sullivan was discussing his race for attorney general in 1920 on the Nonpartisan League ticket in the State of Minnesota. He said:

I ran for attorney general. I came within 537 votes of being elected. He was defeated in 1924. I again ran for attorney general with Olson, Floyd, but Olson was then running as a—the Farm Labor Party had been organized in the meantime. It was no longer the Nonpartisan League. It was the Farm Labor Party. I ran with Olson on the Farm Labor ticket as a candidate for attorney general.

In the meantime I had handled this railroad strike. I knew every official of the Great Northern personally, and they had—they knew of my political background. I knew that, to tell you frankly, I knew why I was being retained, if at all, because of all those political connections that I had.

That is what Sullivan told the investigators, and his statements may be found on pages 3964 and 3965 of the testimony.

Mr. ELLENDER. That was back in 1920?

Mr. LUCAS. No. I will say to the Senator from Louisiana that Sullivan was testifying here as to why he was retained by the Great Northern Railroad. He was giving his complete background, as one who had represented farm organizations and labor unions up through that section of the country.

Mr. ELLENDER. I understand now.

Mr. LUCAS. He said that as the result of his relationship with the farm organizations and labor unions all the railroad heads knew who he was, and he frankly said that the only reason he was retained was the political connections he had.

Referring to the question the Senator asked a moment ago, I will read what Mr. Sullivan said about that.

On page 3984 of the testimony in volume 8 the following colloquy took place between the investigator and Mr. Sullivan:

Question. Are you at present the owner of any Mexican land stock?

Answer. Well, as far as Mexican land. It is the Land Finance Co. it is a North Dakota company but they own Mexican lands.

Question. How many shares of stock do you own?

Answer. \$25,000 worth.

Question. When did you acquire that stock?

Answer. Oh, well, it may be either the latter part of 1937 or the early part of 1938. I think it was the latter part of 1937. Maybe somewhere after the middle of the year 1937.

Question. From whom did you purchase your stock?

Answer. From Senator LANGER.

Question. And how much did you pay for it?

Answer. \$25,000. May I interpose?

Question. Surely.

Answer. That company was organized many years ago, long before I knew them, but Congressman Lemke and Senator LANGER and a number of North Dakota men put in quite a lot of money into it.

My wife was secretary to Congressman Lemke, that is where I met her. She was secretary to Congressman Lemke when I was with the Nonpartisan League, when there was a board of three directors who ran the Nonpartisan League.

Congressman Lemke was one of them and she handled all the correspondence. I think she knew more about the Mexican land deal than any of them in the group aside from Lemke because during all those years she handled them.

I know all about them and Congressman Lemke had several times suggested to me making investments in that company and I never wanted to because of the uncertainty of it, but after the Mexican Government took over 80,000 acres of that land, what they call expropriation, and being somewhat familiar with the Roosevelt administration's attitude toward South American countries and to Mexico, I was completely sold on the idea that there would be an adjustment of this expropriated land, especially if you lined up with the oil companies on that side of the road.

This relates to what the Senator from Michigan [Mr. VANDENBERG] was inquiring about a while ago.

When Lemke was, or when Senator LANGER was in the office, not in this office but in our office upstairs, one time, why, he was talking to me, and he and Lemke had broken. They were very bitter opponents. I told Mr. Smith before you came in that that is one State where you can find out all the bad things about your opponents on either side.

When the Loan Act was over there, Lemke borrowed money from the State to build a house, just like the Federal Housing Administration is at the present time. It wasn't an elaborate home—I think \$9,500, as I recall it—just a modest middle-class home.

During the State fair at Grand Forks they had a big bus traveling from the fair with a great big sign on it, "Free ride to Fargo to see the mansion that Bill Lemke had built with the taxpayers' money." And so you see, you get the idea. Some of the fellows got together and raised the money to pay this off to take it out of the campaign but very few ever made the trip. It is a long ways from Fargo to Grand Forks. Very few ever made the trip, but the idea was to get it into the campaign.

It is a typical campaign up there.

Well, anyway, my wife knew all about this company, and he was busily berating Lemke. I am very friendly to Lemke. That is one of the reasons that LANGER got no help from me in 1940. He ran against Frazier in the primary, and I certainly wouldn't do anything to injure Frazier, and I told him so.

I was helping Frazier, and I am glad to have this opportunity under oath to say I didn't give one penny or make one speech in that campaign, though I didn't do anything to injure Frazier, who has been my friend for 25 years and always did anything he could do to support me when I would run; issued statements for me, allowed his picture to be used in the farm districts because he was one of the authors of the Frazier-Lemke bill. Lemke did the same thing when I ran here—allowed his picture to be used in the leading farm paper here and agreed to campaign for me. And so I wouldn't, nobody could have induced me to, do anything against Frazier and Lemke.

Then LANGER and I were in a good-natured dispute, and I told him that they ought to get together, they belonged on the same side, and when Lemke, when he was attorney general and Frazier was Governor—Lemke was attorney general and John Hagen was commissioner of agriculture and labor and that constituted the industrial commission in North Dakota, who have control of the State mill and elevator, the State bank, and all of the institutions, and the opponent in those days was the I. V. A., the Independent Voters Alliance, and they were the fellows that were instigating the feud between them; they were fellows who were always natural opponents.

But anyway I started dickering with him and I said I will buy some of that stock. I will buy it. I made a deal with him and afterward I was going to pay him over a period of 4 or 5 years and I thought the thing would be adjusted before that, and afterward he gave me a reduction and I think it was \$1,000, or maybe \$750, to pay him because he had some mortgages or something due that he wanted to pay and I paid him. I still think it is a good deal, a dandy deal.

By Mr. HOOD:

Question. Have you ever had a chance to buy—

Answer. No; nobody ever offered me any. I think I would buy some if I got a chance. But now with these claims, all the negotiations have been with the Mexican Government; you know the claims are all on file; all the claims are on file and there are people who wouldn't sell them unless they were pushed for money, needed money. I even let go of some American Telephone & Telegraph stock when I needed money.

Question. How long ago was it that this land was expropriated?

Answer. Well, it has been—was before that oil expropriation. It was before that. This is agricultural land. I have got the abstract and maps and leases—all that kind of stuff. It was before that.

Question. About 1919?

Answer. Oh, it was later than that. It is later than that. I may be wrong. All the negotiations with the South American countries and because of the salability and because of the better relationship between the governments that these things are going to be filed. I was gambling on it, but if it does I will get many times what I invested because I got one-twelfth of that stock.

Question. Did you buy all Mr. LANGER had?

Answer. I didn't. I only bought half.

Question. Did you ever contact Mr. Lemke, the president of this company?

Answer. Oh, yes. He is president of the company and he is trustee of the land, and as trustee he is the one that has to file—the land all in his name as trustee.

Question. Did you ever talk to him about the value of this stock?

Answer. Many times. He always told me it is very valuable, and my wife thinks the same thing, so it is one investment I made with her approval.

Question. Has the claim ever been acted upon?

Answer. So far as I know, it is all in negotiation between the State Department and the Mexican Government.

That provides the information asked for by the Senator from Michigan [Mr. VANDENBERG], with the exception of his question as to whether or not this land is actually included within the lands upon which the Claims Committee passed. I presume it must be.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. VANDENBERG. I am not quite clear with respect to the inference in Sullivan's statement as to the implication he drew from the Roosevelt policies toward Mexico. Did he say that because of the Roosevelt policies toward Mexico he thought this claim was worth more, or thought it was worth less?

Mr. LUCAS. He did not say how much he thought he would be paid for it, but that he did think it was a good investment because of the good-neighbor policy toward the southern countries.

Mr. VANDENBERG. So all he bought was an interest in a claim against the Mexican Government for expropriated land.

Mr. LUCAS. That is exactly correct, according to his own statement. I cannot draw any other conclusion.

Mr. VANDENBERG. Is it possible to determine whether or not this claim is part of the total of \$350,000,000 worth of claims which we have settled for \$15,000,000?

Mr. LUCAS. I will have that question investigated, and later call it to the attention of the Senator. In view of Sullivan's statement, I am of the opinion that it must be.

Mr. ELLENDER. Mr. President, I wish to thank the Senator for referring to that part of the testimony.

Mr. MURDOCK. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. McFARLAND in the chair). Does the Senator from Illinois yield to the Senator from Utah?

Mr. LUCAS. I yield.

Mr. MURDOCK. After the Mexican Government took the land which it took out of the tract which this stock represented, there were still about half a million acres of land left, were there not?

Mr. LUCAS. I cannot answer that question. I do not know. Does the Senator mean that there are half a million acres left which have not been expropriated by the Mexican Government?

Mr. MURDOCK. That is my understanding.

Mr. LUCAS. I could not tell the Senator. Apparently Sullivan did not buy the stock on that theory. From his testimony I judge that he bought it on the theory that all the land would be expropriated. He had \$25,000 involved in it; and from his testimony he expected that all the land would be expropriated.

Mr. VANDENBERG. I think it is important also to know definitely whether or not there is anything behind this stock besides expropriated land.

Mr. LUCAS. There was some testimony that on the several thousand acres of land which were involved there were cattle and various other types of personal property. I take it it was all expropriated at the same time the land was. I may be mistaken about that.

Mr. MURDOCK. If the Senator will yield, I think the record will disclose without question that the company still maintains on the land the same caretaker whom it has maintained ever since the venture began.

Mr. LUCAS. That may be.

Mr. MURDOCK. My recollection of the record is that there is a very considerable acreage left. I think the fact that the company still maintains and pays a caretaker would indicate that it has some land left.

Mr. LUCAS. I do not think there is any record to show that the company itself is paying the caretaker.

Mr. MURDOCK. I do not know about that.

Mr. LUCAS. The caretaker is down there "on his own."

Mr. MURDOCK. Perhaps he is taking a chance on getting his compensation out of the land which is left.

Mr. LUCAS. No dividends have been paid. As I understand, there have not been very many recent meetings of the organization.

Mr. MURDOCK. I do not think there is a record of any dividends.

Mr. LUCAS. The concern is practically defunct.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. ELLENDER. In connection with the value of the stock, Mr. Sullivan often mentioned his wife, as well as a Mr. Lemke. I am wondering if the committee or the investigators interrogated Mr. Lemke, Mrs. Sullivan, or anyone else with respect to the value of the stock?

Mr. LUCAS. We have Lemke's testimony. Lemke testified that the stock had no value at all, although, so far as the Mexican claim was concerned, he signed his name to an affidavit to the effect that it was worth some \$900,000.

Mr. ELLENDER. What was the date of that affidavit?

Mr. LUCAS. I do not know. Former Senator Frazier also testified, and, as I recall, a man by the name of Vine also testified.

Mr. ELLENDER. Was the affidavit made after Lemke and Langer were in disagreement?

Mr. LUCAS. It was made while the investigators were in North Dakota last year.

Mr. President, any Senator who desires to read Senator Langer's testimony on this very question can find it at pages 549 to 602 of the hearings; I think those page numbers are approximately correct.

Insofar as the evidence is concerned, insofar as the facts are concerned, we now have the Sullivan facts and we have the Gray facts in reference to the facts given by Senator Langer himself in connection with the matter; and, with respect to what Lemke said regarding the matter, if it is desired that I read his remarks into the Record, I shall do so.

I do know in a general way that Lemke said the stock was worthless, that former Senator Frazier said it was worthless, and that another gentleman, a man by the name of Vine, I think, who was a

stockholder, said that the stock was worthless; he said that in his testimony.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. McFARLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SMATHERS in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Alken	Gillette	O'Mahoney
Austin	Glass	Overton
Bailey	Green	Pepper
Bankhead	Guffey	Radcliffe
Barbour	Gurney	Reed
Barkley	Hayden	Reynolds
Bilbo	Herring	Rosier
Bone	Hill	Russell
Brewster	Holman	Schwartz
Brown	Hughes	Shipstead
Bulow	Johnson, Calif.	Smathers
Burton	Johnson, Colo.	Smith
Butler	La Follette	Spencer
Byrd	Langer	Stewart
Capper	Lee	Taft
Caraway	Lucas	Thomas, Idaho
Chandler	McFarland	Thomas, Okla.
Chavez	McKellar	Thomas, Utah
Clark, Idaho	McNary	Tobey
Clark, Mo.	Maloney	Tunnell
Connally	Maybank	Tydings
Danaher	Mead	Vandenberg
Davis	Millikin	Van Nuys
Doxey	Murdoch	Wheeler
Ellender	Murray	White
George	Nye	Wiley
Gerry	O'Daniel	Willis

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present.

Mr. OVERTON. Mr. President—

Mr. LUCAS. I yield to the Senator from Louisiana.

Mr. OVERTON. Mr. President, I rise to ask for some information of the Senator in charge of the report. I infer from what has transpired this morning that a good deal of the evidence in connection with this case has not been printed?

Mr. LUCAS. That is true, other than in the original documents which were obtained by the investigators in the beginning. Those documents were deposited in the hands of the clerk of the Committee on Privileges and Elections; the investigators were in the committee room, and it was the privilege of anyone who desired to do so to examine them at any time. Insofar as the public hearings are concerned, they have been printed.

Mr. OVERTON. Those were the hearings conducted here at the Capitol by the subcommittee?

Mr. LUCAS. That is correct. There were about 4,600 pages of the testimony taken by the investigators in North Dakota.

Mr. OVERTON. I should like to ask a further question. Is the report of the committee based on any facts that were brought out by the investigators in the 4,600 pages of unprinted testimony?

Mr. LUCAS. I read a moment ago, for instance, the testimony of Thomas Sullivan. That testimony was taken by the investigators in Chicago. Thomas Sullivan did not appear before the committee. There was no particular reason why he should not appear. Possibly it would

have been better had he appeared before the committee at the public hearings.

Mr. OVERTON. Is the committee's report based both on the public hearings and the testimony taken by the investigators?

Mr. LUCAS. It is based on both; but, primarily, upon what the Senator finds in the hearings before him. In other words, the committee's report is based, in the main, upon what was brought out in the public hearings, and a large amount of it is based upon Senator Langer's own testimony.

Mr. OVERTON. It seems to me, Mr. President, if the Senator will pardon me—

Mr. LUCAS. I am glad to yield.

Mr. OVERTON. That when we are called upon to sit here as judges in a case so important as this, involving the question of whether a Senator who has been elected by the voters of his State is to retain his seat or is to be ousted from his seat—and, of course, if he is ousted the stigma will rest upon him and his family forever and a day—it seems to me that, in a case so important as this, we, as a court sitting here as judges, ought to have reasonable access to all the evidence taken in the case on which the committee has acted.

If I may go further, I may say that, so far as I am concerned, I have no desire to read any of the testimony, because I understand that, indisputably, the Senator from North Dakota was elected; there is no question about his election; no question about the validity of the returns of his election; and there is no question as to his qualifications as prescribed by the Constitution as to age, citizenship, and residence; and, therefore, under my interpretation of the Constitution, it is not necessary for us to proceed any further. There are, however, many Senators who seem to be very deeply interested in what are the real facts in this case. Are the Senators who sit here as judges and want to determine whether Senator Langer is to be ousted or is to retain his seat, to be deprived of reasonable access to some 4,600 pages of testimony?

Mr. President, I do not say this in criticism of the committee, but it seems to me that provision should be made so the Senators would have an opportunity to read the evidence in the case. If there is only 1 copy of it, there being 96 Senators, certainly 96 Senators could not have reasonable access to 1 copy of the testimony that was taken outside the Senate hearings.

Mr. LUCAS. Let me say to the Senator from Louisiana that there may be some merit in the objection he makes. However, this is the first time the question has ever been raised, and we have been considering the case for over a year. These exhibits have come in from time to time and have been in the office of the clerk of the Committee on Privileges and Elections. With all due deference to everyone, I do not think there is a Senator here who has even read every word that is in the printed hearings which we have on our desks. I say frankly that when

we start to study all of the testimony in this case and attempt to sift the chaff from the wheat, so to speak, we find it is very, very difficult, because of the latitude the investigators and the committee were given under the original resolution, Senate Resolution 118, which was passed unanimously by the Senate, giving the investigators the power and authority to do the very thing they did.

I need not tell the Senator from Louisiana, who is a very fine lawyer, that we have few, if any, rules here with respect to taking evidence. Investigators take virtually everything they deem it best to take. And I may say that this practice is not confined to the investigators, but Senators themselves follow it. Senators serving on committees frequently disregard the rule of germaneness, depart from the subject matter before them, and ask a great many irrelevant questions.

I recall one occasion during the early days of my service in the House of Representatives, when I was a member of the Committee on Patents, and we had before us a bill dealing with the pooling of patents. Billy Mitchell appeared before the committee and testified for 2 days. I was just a new member of the committee, and as I sat there I was somewhat shocked to note that this man said nothing at all about the legislation under consideration by the committee, but he told us all his war experiences—and it was a fascinating story. The senior Senator from Louisiana was at that time a Member of Congress. I was very much interested in what General Mitchell said, but after a day and a half I finally summoned sufficient courage to ask him one question, though I was a new member of the committee. I said, "General, you have testified for a day and a half. Has what you have said before this committee any reference to the pooling of patents, which is the subject of the bill in which we are interested?" He answered by stating that it had absolutely nothing to do with the bill. Yet the committee sat there for a day and a half and listened to testimony of that kind. That has been the common practice here, from my observation throughout my service in the Congress.

As I have said, I realize there may be some merit in what the Senator has said and in the objection he has made, but considering the number of lawyers who have been engaged in this case on both sides, I seriously doubt that anything pertinent to the case has been omitted. A number of lawyers have been engaged in the case on both sides. The petitioners had three or four lawyers, and Senator LANGER had three or four lawyers whose bills the Senate will have to pay sooner or later. I think those lawyers rendered good service in bringing out the facts in behalf of the petitioners and of Senator LANGER, indicating just what the crucial points are. I think they have probably set forth in their briefs and arguments, and there are set forth in the majority and minority reports the vital factors having a bearing on this case.

My only reason, a while ago, in going back and reading the Sullivan record

and other records was the charge made yesterday that I was not giving facts to the Senate. I was also charged with acting in the role of a prosecutor rather than that of a defender of the integrity of the Senate. I certainly do not want anyone in this Senate to think for one moment that I stand here as a prosecutor. However, I have to take a position in a matter of this kind, and as a member of the majority of the committee, I have taken a position—I do not conceive it to be the duty of men who have taken such a position, 13 of us on this committee—merely to come in and read what the committee found and say, "Gentlemen, there it is. Take it or leave it." If we have taken a position and have said that in our opinion, based on the evidence, the charge of the commission of acts involving moral turpitude has been proven beyond all reasonable doubt, as 13 members of the committee do say in the majority report, it seems to me that I have a right to express myself—though perhaps not quite so forcibly as I did yesterday—without being charged with acting as a prosecutor in the case.

Mr. OVERTON. Mr. President, I was not trying to criticize the Senator or his presentation of the case.

Mr. LUCAS. I understand that, and I digressed from the subject.

Mr. OVERTON. I was rather forcibly impressed by the Senator's statement that the probability is that a very few Senators have read the record. We are sitting here as jurors, we are sitting here as judges in the case, and we are judges not only of the Constitution and the law, but we are judges of the facts. We should have proof of the facts. There is no other tribunal in the United States of America that I know of, where a judge or jury passes upon the question of guilt or innocence, that is not possessed of the facts in the case. The able Senator says, and probably with a great deal of force, that 13 members of the Committee on Privileges and Elections have gone into this case very thoroughly. They have presented the case, and they say that unquestionably it is a case involving moral turpitude, and that therefore the Senator from North Dakota should be excluded from the Senate. But while the debate has been proceeding there have been serious controversies as to the real facts in connection with the case.

How are we to determine those facts? Are we to take the ipse dixit of a majority of the Committee on Privileges and Elections, as esteemed as those gentlemen are, as much revered as they are by Members of the Senate, whose honesty and integrity are not questioned at all, but whose correctness of judgment may well be questioned, as it already has been on the floor of the Senate? Are we not to have access to the record in order to determine what the facts of the case are?

Possibly I am raising an issue here which I should not raise. I am not a member of the Committee on Privileges and Elections, and I do not know what has been done as to the facts. I talked to one of the members of the committee

just before I spoke to the Senator from Illinois, and this member of the committee said:

I am quite sure that all the testimony has been published.

I now understand that it has not been. Mr. LUCAS. It has been published.

Mr. OVERTON. He indicated he considered it a duty to have it published.

Mr. LUCAS. It has been published, but it has not been printed and distributed to every Senator. It has been published and has become a part of the records of the Committee on Privileges and Elections. If the Senator wants all these exhibits printed and published so that each Senator may have a copy, that work would probably require about 2 months. If the Senator wants that done, and will make a motion that it shall be done, I will vote for the motion; and we will postpone the hearing until every Senator gets a copy.

Mr. OVERTON. The point I am making is that I think it was the duty of the Committee on Privileges and Elections to publish the evidence upon which they relied to bring in the report against the Senator from North Dakota. If there is much extraneous evidence which has no bearing on the case, they can, in their judgment, omit that, but we should have an opportunity to read the testimony upon which the report of the committee is predicated in order that we may exercise our own judgment.

Mr. CHANDLER. Mr. President—The PRESIDING OFFICER (Mr. McFARLAND in the chair). Does the Senator from Illinois yield to the Senator from Kentucky?

Mr. LUCAS. I yield.

Mr. CHANDLER. I think the criticism by those Senators who are not members of the committee directed toward the Senator from Illinois has been harsher than he deserves to have under the circumstances. I have the fortune to be a member of the Committee on Privileges and Elections—I would not call it good fortune—I am unfortunate enough to be a member of the committee, and if any of my colleagues want to take my place, I shall be pleased to get off the committee and see them replace me. During the last 2½ years we have had many cases before the committee, none of which we wanted to consider. No member of the Committee on Privileges and Elections brought any charges against Senator LANGER, none of us have any wishes about Senator LANGER either being in the Senate or out of the Senate, so far as we are concerned. None of us, so far as I have been able to ascertain, has any feeling against the Senator from North Dakota.

But charges were brought, and the senior Senator from Texas [Mr. CONNALLY], who was the chairman of the Committee on Privileges and Elections at the time, named the Senator from Illinois and others on a subcommittee to consider the charges. I know that if any of our colleagues want to take the place of the Senator from Illinois he would be very glad to give up his position on the subcommittee.

Mr. OVERTON. The Senator looks at me. There is nothing I have said which

for a moment intimates that I want to be a member of the Committee on Privileges and Elections, and I have said nothing whatsoever in criticism of any Member of the Senate. I merely stated that I thought Senators should have reasonable access to all the testimony upon which the committee bases its report. If that be a criticism, if it be an unjust criticism, answer it; but I am certainly not actuated by any spirit of animosity toward the Senator from Kentucky or toward the Senator from Illinois. This is the first time I have intervened in this case, but I have noted that whenever anyone on the side of Senator LANGER—if we have sides in this controversy, before the case has been made up and fully presented—whenever there is an interruption by a Senator who seeks information, there is sometimes an exhibition of lack of patience on the part of those who are on the committee with those who are interrogating.

Mr. CHANDLER. Nothing I have said is in any way intended to reflect on the feelings of the Senator from Louisiana. If he has no such feeling as has been referred to, then nothing I have said is directed toward him in any way. The impression I have gotten is that every time the Senator from Illinois has undertaken to do the duty that was imposed upon him by the committee—which is a thankless job at best—he has been accused of attempting to prosecute Senator LANGER, and I happen to know he has not been doing any such thing.

The Senator from Illinois was designated by the committee to present the evidence as it was given to the committee. He may not be doing it to suit all Senators, but he is doing it the best he can. I venture the assertion that the Senator from Illinois does not care how Senators vote on the question. Senators can make up their own minds after they read what is available. I certainly have no objection to Senators reading everything that is available, and ordering to be made available other things that have not heretofore been made available.

Charges were made by persons in North Dakota, and the committee has been engaged in investigating the matters for, I believe, over a year. The proposition is not a new one. I would not turn my hand over to get any Senator to vote for or against the Senator from North Dakota. No member of the committee which made the investigation relished casting the vote he did, but when a Senator is on a committee he must vote either for or against, after hearing the evidence, and our committee has heard plenty of evidence.

The Senator from Texas [Mr. CONNALLY] was responsible for widening the scope of the investigation. I believe that is a fair statement. Some of us asked for a bill of particulars originally, and we wanted to hold the matter down to specific charges which we thought were serious enough to warrant an investigation, but others wanted to throw the whole matter wide open and go back 25 or 30 years and investigate the conduct of the Senator from North Dakota. There was no desire on my part to do so. There was no desire on the part of the

Senator from Illinois to do so. But under the instructions of the committee, investigators went back and investigated these little old charges that look like—I have a name for them, but I will not use it. I would say trash and chicken feed and stuff that you ought to roll your hands on and not consider.

My friend the Senator from Michigan [Mr. BROWN] yesterday said he thought the Senator from Illinois was trying to prosecute the Senator from North Dakota. I say he is not. He is doing what the committee directed him to do. In casting our vote we could not vote other than we did, under the circumstances, based on the testimony covering the charges, and based on the failure of the Senator from North Dakota to make a satisfactory answer. Under the circumstances we had no choice but vote as we did. Previously, there is not one of us who would not just as soon have voted to keep the Senator here because none of us either wanted him out or wanted him in. The people of North Dakota, regardless of all these things have elected him Senator. If Senators want to join with them in that respect I have no objection. But I ask all Senators to remember that the Senator from Illinois is doing what the committee asked him to do. They placed the job on him. I am glad they did not give it to me because I did not want it.

Mr. LUCAS. I thank the Senator from Kentucky.

Mr. CHANDLER. I think the Senator from Illinois is doing the best he can. I think I know he does not want the vote to be one way or the other. Senators may not like what he says about the matter, but I know what he says is his deliberate conviction and conclusion based on a great deal of hard work. If Senators do not want to follow his presentation, but find some evidence to support their position, let them vote some other way.

Mr. LUCAS. Mr. President, I thank the Senator from Kentucky, and what he says is basically true about the whole case. I do not want to go back into the whole history of the matter, but the records will show, so far as the Senator from Illinois is concerned, that he was arguing for more specific charges in a bill of particulars, and not a fishing expedition. The evidence will show that. Notwithstanding the fact that I took that position in the early part of the proceedings, the Senate agreed to a resolution and investigators were ordered to go out in North Dakota and investigate these matters.

Mr. President, as I see it, I simply have a duty under my oath as a Senator here, and what anyone may think of my position is immaterial. I simply have to do my duty. I have no personal interest or personal malice against Senator LANGER or anyone else in connection with this case. I am going to do my duty as I see it. I have studied this evidence from beginning to end. I have lived with it for over a year. I have turned it over in my mind as I have seen these charges of moral turpitude, one after another, being piled here in front of us. With reference to bringing in those early charges which

were placed in the majority report and concerning which there has been so much talk here in the Senate, as I previously stated, each and every one of them, with the exception of the Oster case, was brought in for the first time by Senator LANGER himself when he testified before the committee. The investigators did not find the early cases other than the Oster case. With respect to the drug-store case and the case of the breaking into the jail, and one or two more cases, the Senate will find a footnote after each showing that Senator LANGER himself voluntarily brought those cases into the testimony. The committee did not go back to them.

One of the things about the minority report in this case which I resent is the fact that in that report the charge is made directly that the subcommittee, of which the Senator from Illinois is chairman, ordered the investigators to go out into the State of North Dakota and investigate the public and the private life of Senator LANGER for the last 20 years. I had nothing to do with it at all. I had nothing to do with the drafting of the original resolution which gave the investigators power to go into North Dakota. The Senate of the United States passed upon that resolution, and agreed to it unanimously. If anyone is responsible for sending investigators into North Dakota to make this kind of an investigation. Senators must accept the responsibility themselves. As an individual Senator who stood here and voted on Senate Resolution 118, I am willing to accept my share. I intend to continue this presentation on behalf of the majority of the committee and to do it in the best way I can.

Mr. STEWART. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. STEWART. I happen to be one of the unfortunates who is a member of the Privileges and Elections Committee. When I say "unfortunate," I say it advisedly, because in the very nature of the thing it is a duty which is distasteful and even very disagreeable. I do not like it. I do not think anyone else in this body, so far as that is concerned, would choose to be a member of that particular committee, simply for the purpose of taking part in hearings of this kind or character. They are as distasteful as they can be.

After the subcommittee had made its report, hearings were held before the committee as a whole, which are published in the little green volume which appears on the desk of every Senator. I do not remember how many days or how many weeks these hearings continued, but it seemed to me we would never conclude them.

I sat in the hearings day after day and listened to the testimony. We also had the report of the investigators who, as has already been explained, were sent out to the State of North Dakota for the purpose of making a complete and full investigation, as I understood. The report of the hearings by the investigators was available to the committee, as it has been available, we might say, to every Member of the Senate.

I have read several portions of the typed hearings, as well as the printed hearings. I heard a good portion of the testimony, and have heard a portion of the hearings read on the floor. In a general way I am fairly familiar with what was included in the reports and in the testimony taken by the investigators who went to North Dakota.

The hearings held in North Dakota were not published, as the Senator from Illinois has pointed out. They are not contained in the little green-backed volume which has been laid on each Senator's desk, to which I referred previously. The hearings held by the investigators were not published in this volume. I think they ought to have been published. I have thought about that two or three times since these proceedings started in the Senate. It had not previously occurred to me that they should have been published. I do not believe I even thought of the matter prior to the time the matter was brought before the Senate this week. However, I have become more impressed since I have undertaken a time or two to find the testimony of Mr. Sullivan, the attorney in Chicago who gave \$25,000 to Mr. Langer for some land stock in Mexico, or for a claim against the Mexican Government, whatever that might be.

That testimony of Mr. Sullivan is not in these hearings, for the reason that we did not bring him here and have his testimony taken before the committee and taken down by a reporter and transcribed. But his statement was taken by the investigators who went out to the city of Chicago and interrogated him about the transaction. It is important to read that testimony in connection with the other evidence in this record.

There is a great deal that I might say while I am on my feet. Many things are running through my mind. I think, of course, a great deal that is in this record, which perhaps, taken in each case individually, is more or less unimportant, except perhaps as it might shed light on the entire subject matter and show the conduct of the man and his nature and disposition over a period of 20 or 25 years, as some Senators have argued that it does.

I see only three really important things in these hearings, three important transactions of comparatively recent vintage, so to speak. One is the transaction involving the sale of the Mexican land stock, which is claimed by some was money paid for lowering the values of a railroad represented by Mr. Sullivan, who paid the money at the time Senator Langer was Governor of North Dakota. The other is a series of transactions which took place with a man by the name of Brunk, of Des Moines, Iowa, who, it is claimed, was employed by Governor Langer to sell securities of the various counties of the State of North Dakota, and who, near the end of this group or series of transactions, after he had made about a quarter of a million dollars, purchased, sight unseen, for \$56,000, all the farm land or the major portion of the farm land which Senator Langer owned in North Dakota, while Senator Langer was Governor.

Those two transactions and the occasions upon which Mr. Langer was tried by a Federal court after a substitute judge had been sent to North Dakota from South Dakota are the three important things to consider. The other instances may shed light in a general way upon those transactions.

Mr. President, I think that every Member of the Senate, who has the individual responsibility of voting in this case, ought to be conversant with all the facts. We ought to know everything which has transpired. We ought to know every word of testimony which was submitted to the Committee on Privileges and Elections. I think that the statement to that effect made by the Senator from Louisiana is quite proper; and I shall take it upon myself to move that the report of the investigators who went to North Dakota be printed, as were the hearings before the committee. They are in the little green book to which I have referred, which lies on each Senator's desk. All exhibits should likewise be printed. That material should be bound in whatever number of volumes are necessary; and a sufficient number of them should be printed to place in the hands of every Member of the United States Senate a copy showing all the evidence. I think that suggestion is proper. Every Member of this body wants to see the evidence on which members of the Committee on Privileges and Elections made up their minds. I do not care whether a month, 2 months, or 6 months would be required to print it. This is an important matter, involving the rights of a man from a sovereign State of the Union.

I have already cast my vote in the committee; and Senators know how I voted. I would rather have done a great many other things I can think of. I did not want to do it. I want every Member of the Senate to have the same information which the committee had. I do not know of any other way in which the question can be properly placed before the Senate. It does not make any difference to me how long a time would be required. I make my request in the form of a motion, and ask that it be acted upon at this time.

The PRESIDING OFFICER (Mr. MURDOCK in the chair). Does the Senator from Illinois yield for the purpose of allowing the Senator from Tennessee to make a motion?

Mr. LUCAS. I yielded to the Senator.

Mr. McNARY. Mr. President, I have just entered the Chamber. I do not know what the nature of the motion is.

The PRESIDING OFFICER. As the Chair understands, the motion of the Senator from Tennessee is that all the records in this case, including the exhibits, be printed and made available to the Senate.

Mr. STEWART. The Senator was not in the Chamber when this question first arose. The point was made that Members of the Senate had not had placed on their desks printed copies of all the evidence which was before the Privileges and Elections Committee. In addition to the hearings before the committee—the little green book of which I speak—there

was some other evidence, which has been available to every Member of the Senate, and which has been seen by members of the Committee on Privileges and Elections. It has been referred to in the hearings and in newspaper reports following the hearings. Many statements were taken by the investigators, and many exhibits have been filed. I made the motion that all that material be printed and that a copy of the entire record be placed on the desk of each Senator.

Mr. LUCAS. Mr. President, I did not yield for the purpose of making a motion. I reserve the right to object. I shall yield to the Senator from Oregon if he wishes to discuss the question.

Mr. STEWART. Mr. President, in view of the fact that the Privileges and Elections Committee passed upon evidence which has not been placed before the Members of this body, and in view of the fact that the question has been raised, I wish every Senator to see what we saw.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. VANDENBERG. Does the Senator from Tennessee wish to couple with his motion the provision that the consideration of the pending resolution be suspended pending the arrival of the printed matter?

Mr. STEWART. As I stated, I do not think it makes any difference whether it takes 2 months or 6 months to publish it. It seems to me it would naturally follow that consideration of the resolution would have to be suspended. I will include that in my motion.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. BARKLEY. If this motion, or any motion of like tenor, is adopted, which would involve suspension of the consideration of the resolution before the Senate until the matter referred to has been printed, it seems to me that either the Committee on Privileges and Elections, or a subcommittee thereof, or the attorneys on both sides, ought to go through the record, which it is said would comprise 4,000 or 5,000 pages of printed matter, and decide what ought to be printed, rather than to print the whole thing.

Mr. STEWART. No.

Mr. BARKLEY. There may be many immaterial statements in the record of the investigation which would be of no value to the Senate.

Mr. STEWART. I think the question of what should be deleted ought to be left entirely to the discretion of the Senate. That can be done after the material has been printed. I should like to see every word printed.

Mr. BARKLEY. There is no way in which the Senate can exercise jurisdiction over what shall be deleted without seeing all of it. The Senate cannot even see it until it is printed.

Mr. STEWART. That question can be decided after the material has been printed and placed before each Senator. I think it all ought to be published. Some controversy might arise as to the exercise of discretion with respect to what should be printed and what should not be

printed. That question might be a matter of continuous argument. I want the Senate to see what we saw. I am impressed by the statement of the Senator from Louisiana, who says that he has not seen all the evidence.

Mr. BARKLEY. Without any prejudice one way or the other, I think it is unfortunate that those who did not agree with the majority report did not think of this before the matter was brought before the Senate. It is now proposed to suspend consideration of the resolution in order that something may be printed. That is a matter which the committee could have controlled. I presume the matter referred to would have been printed at the request of the minority members of the committee.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. CLARK of Missouri. I should like to ask the Senator from Kentucky why the minority of the committee is any more chargeable with blame in the matter, if there is blame, than the majority. The majority made up the record. Why does the Senator single out the minority members of the committee to blame them for not making up the record?

Mr. BARKLEY. For the reason that in a matter of this sort the minority members are supposed to be looking after the rights of the member involved as much as are the majority members. The minority members took it upon themselves—and properly so—to file a minority report; but so far as I know no request was ever made to have printed the hearings conducted by the investigators who were sent to North Dakota.

Mr. CLARK of Missouri. The request now comes from a member of the majority of the committee. Why blame the minority? I am not a member of either the majority or minority of the committee, so I feel free to discuss the question.

Mr. BARKLEY. I am not a member of the majority of the committee or of the minority; but it is unfortunate, after the time we have spent on this matter, that no member of the committee—I will include the majority even, including the author of the motion—thought about having printed and made available to the Senate the record of the hearings conducted by the investigators before we took this question up.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. McNARY. I do not desire to discuss the matter at this time, although I have some very affirmative views on the subject. I merely ask for the regular order.

The PRESIDING OFFICER. The regular order is called for. The Chair recognizes the Senator from Illinois.

Mr. STEWART. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Tennessee.

Mr. STEWART. I insist on my motion.

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Tennessee for the purpose of making a motion?

Mr. STEWART. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STEWART. After the Senator has yielded, does it make any difference for what purpose he yields? Do I not have a right to insist on my motion, anyway?

The PRESIDING OFFICER. The Chair understood the Senator from Illinois to yield to the Senator from Tennessee for a question or statement, but that he declined to yield to the Senator from Tennessee for the purpose of making a motion.

Mr. LUCAS. Mr. President, I will yield to the Senator from Tennessee for the purpose of making that type of motion. However, before doing so, I wish to say that the Committee on Privileges and Elections finds itself in a peculiar position. After months of labor in connection with a very important matter we find ourselves confronted with a proposal to suspend consideration of the pending resolution for the purpose of having all the exhibits copied. Eventually I shall vote for such a motion if it is put to a vote.

However, I had hoped that there was sufficient evidence in the public hearings as well as in the hearings conducted by the investigators, the record of which has been available to every Member of the Senate. I myself have consulted the record time after time, and have always been able to find what I wanted. I had hoped that would be sufficient, without delaying this matter for months in order that all the exhibits, records, and so forth, might be printed and bound and, possibly, laid aside without being examined by the Senators. I dare say that not a single Senator on the committee—and I invite any Senator to challenge this statement—has sat down and read, page by page, the 4,600 pages contained in the various volumes.

We have had the investigators with us, annotating and digesting the testimony and bringing the facts to the committee in the form in which the committee needed them, and the subcommittee studied this testimony for days. But there simply is not sufficient time for a Senator to sit down and read page after page and page after page of testimony. Unless Senators depend upon someone to bring forth the salient features of the testimony bearing on the charge, obviously the lengthy record which has been made in this case would make their task endless. I hope we can work out such a policy, and can agree on it, so that we can proceed with the matter. However, if the proposed motion is made I, as a member of the committee, will support it; because I have already been subjected to criticism in this case, and I will not place myself in a position to receive more criticism.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Kentucky.

Mr. BARKLEY. I merely desire to ask the Senator a question. He said that not even the members of the committee

had read all the exhibits; and a while ago it was stated that if they were printed, they would amount to four or five thousand pages, and that the cost would be \$5 a page, so that the cost of printing all the exhibits would be \$25,000. That is immaterial, I grant, as compared to the right of a Senator to his seat in the Senate. But if there were any way to take a census of the membership of the Senate regarding the matter, I wonder how many Senators would be found to have read every page, page after page, of the 855 pages of the little green book which contains the proceedings of the hearings held before the committee.

Mr. LUCAS. I wonder about that, too. I raised that question a while ago.

Mr. BARKLEY. If any Senator has read the 855 pages, together with the 76 pages of the majority report in this case, together with the minority report made up of 60 pages, and has not been able to make up his mind as to the merits of the case after a careful, page-by-page reading of all the documents, he would not be any more able to make up his mind by reading 5,000 additional pages of technical exhibits and commentaries and probably more or less material or immaterial statements made in regard to the matter.

In every case—whether it be a bill or a resolution or some other sort of proceeding—we always have to depend upon the hearings had before the committee, the minority and majority reports, and the arguments made thereby. I myself seriously doubt whether any additional information of value to the Senate would be adduced by now suspending in the middle of the consideration of this case, in order to have printed four or five thousand pages of other matters. Such matters will not be read in full by any Senator; we know that. We do not have the time to read them. It is impossible to do so unless we devote weeks and months to nothing else; and if we should read all of them, I doubt whether we should have a statement of the facts that would be any clearer than that which is contained in the record made by the committee and in the two reports.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. McNARY. I find myself quite in harmony with the observations made by the very distinguished Senator from Kentucky. The testimony which is printed, as I understand, is that which was taken before the committee, consisting of 855 pages.

Mr. LUCAS. Public hearings; that is correct.

Mr. McNARY. The testimony unprinted, as I understand, is the testimony taken by the investigators in the State of North Dakota, and that is what the motion contemplates having printed.

Mr. LUCAS. That is correct.

Mr. McNARY. As one Senator interested in a fair and just outcome of the case, I can see no possible benefit to be obtained by adjourning the case and postponing its further consideration until the testimony referred to is printed. I think the virile testimony may be found

in the document lying on our desks, consisting of 855 pages. The report of the committee is certainly a fair representation of the testimony taken by the committee and by the investigators.

I say, Mr. President, in justice to the majority of the committee, that their report evidently and very plainly, in my opinion, is found responsive to the testimony taken before the committee, and with due consideration of the testimony taken by the investigators in North Dakota. I find nothing to criticize in the attitude of the committee.

Mr. LUCAS. I am very grateful to the Senator for his statement.

Mr. McNARY. I can see no purpose to be served by having the testimony printed. No one would read the testimony. It is all before us. There is a brief submitted by the able Senator from Illinois and others to the full committee. There is a brief, as I recall, in response to that, submitted by the attorneys for Mr. Langer. Then there was a brief filed with the committee on behalf of the petitioners, and one on behalf of the Senator from North Dakota, both of which have been printed in the Record. Certainly that is sufficient of a record for anyone to read, if he will pursue it, in order to obtain a fair and full knowledge of the case.

I think it would be unfair to the Senate and its dignity and unjust to the Senator from North Dakota, if we should now adjourn the case for perhaps weeks and months—in order to provide opportunity for the printing—at great expense to the Government—of testimony which is already reflected in the record.

Therefore, Mr. President, I do hope that the able Senator from Tennessee [Mr. STEWART] who always acts with wisdom, frankness, and courage, may withhold or withdraw his motion.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I desire to say a word first.

Mr. AIKEN. Very well.

Mr. LUCAS. First I am extremely grateful to the minority leader, the able Senator from Oregon, for what he has said about the majority report. I am all the more grateful in view of the fact that the remarks come from such a distinguished leader as he, who has served here over a long period of years, and who himself has had experience with matters of this kind. I know from the records and from personal conversation with him that he sat through the hearings of the famous Vare and Smith cases. I think that he, as one who has been through two such contests, can fully appreciate and understand the great responsibility resting upon a committee which is attempting to do what we are doing here, which is our plain duty, unmistakably, under the Constitution, the precedents, and the law.

In the beginning we thought it would be best not to have all the documents printed, thereby burdening each Senator with volumes and volumes to read. If all the exhibits and all the testimony were printed, each Senator would have to have an additional file case in his office in order to handle all the material that he

would receive, if he were to acquire the complete records in the case.

So, realizing the tremendous amount of testimony that was taken, the subcommittee, composed of the senior Senator from Vermont [Mr. AUSTIN], the senior Senator from New Hampshire [Mr. BRIDGES], the junior Senator from Tennessee [Mr. STEWART], the senior Senator from West Virginia [Mr. KILGORE], and myself, sat for days with the investigators, going over the testimony. The result was the committee print which every Member of the Senate has had. The committee print contains 103 pages, and in it we do not—as the minority report holds—make any recommendations or draw any conclusions. All we do in it is make observations and suggestions, which the subcommittee reported to the full committee. The committee in its meeting, after a lengthy discussion by all members of the committee, adopted the recommendations made in the way of observations and suggestions and, following that, in the way of appointing investigators and appraisers, calling witnesses, and so forth.

It does seem to me that the chances of Senator Langer are in no way impaired by the decision of the committee not to have all the documents printed, from beginning to end, at tremendous expense. I hazard a guess that if all the documents had been printed very few would have been read. I doubt that the committee print now before us, which contains all the factual data, has been read in full by all the Senators.

As I said a moment ago, I shall vote for the motion if the Senator from Tennessee wants to put it, but I hope he does not do so.

Mr. BARKLEY. Mr. President, the Senator speaks of a committee print. He means the committee report, does he not?

Mr. LUCAS. No. There was a committee print, I will say to the majority leader, which the subcommittee had printed and gave to every Senator.

Mr. BARKLEY. That is in addition to the report?

Mr. LUCAS. That is in addition to the report.

Mr. BARKLEY. It is not a copy of the report?

Mr. LUCAS. No; it is not a copy of the report. It is a confidential report and memorandum of information on all of the pages of testimony which was taken by the investigators in North Dakota. We thought the Senate was entitled to have access to it. The subcommittee made up the report and submitted it to the full committee, and at the same time submitted it to every Member of the Senate. The confidential committee print contains a digest of all the evidence taken by the investigators.

Mr. AIKEN. Mr. President—

Mr. LUCAS. I yield to the Senator from Vermont.

Mr. AIKEN. May I ask the Senator from Illinois to what extent the testimony taken by the committee has been distributed to others than Members of this body?

Mr. LUCAS. I do not understand the Senator's meaning.

Mr. AIKEN. I simply asked to what extent has this testimony been distributed to others than Members of the Senate? Has the testimony, or that part of it that is before the Senate today, been generally distributed over the United States?

Mr. LUCAS. I cannot tell the Senator anything about that. The subcommittee has no information to the effect that anybody distributed copies of the testimony all over the United States.

Mr. AIKEN. The motion of the Senator from Tennessee called to mind today the statement in a Vermont newspaper some days ago that it had received 2,200 pages of testimony concerning the case of WILLIAM LANGER.

Mr. LUCAS. Who sent it there?

Mr. AIKEN. They said it had been sent by a member of the committee.

Mr. LUCAS. I do not know what the Senator means. He is far away from the issue; I wish he would confine his remarks to it. If he is trying to make a personal reference to any Senator, I do not care to be a party to it.

Mr. AIKEN. Does the chairman of the committee or any member of the committee know whether this testimony has been distributed to newspapers throughout the country?

Mr. LUCAS. Insofar as the Senator from Illinois is concerned, I will say "no," if that is an answer.

Mr. AIKEN. I will state to the Senator from Illinois that the statement was in a Vermont newspaper, and I can furnish him a copy of it today if he would like to have it.

Mr. LUCAS. How many copies went to the Senator's State is no concern of mine. The Senator has been very much interested in this matter for some reason or other. He is referring to something that happened in his own State. I do not know what that has to do with the question before the Senate.

Mr. AIKEN. I want to know for what purpose this testimony was sent to newspapers some time ago?

Mr. McNARY. Mr. President—

Mr. LUCAS. I yield to the Senator from Oregon.

Mr. McNARY. I am not a member of the committee, but, of course, the practice indulged by committees in charge of a bill is to send out copies when inquiries or requests are received, but the committees have no bureau for distribution of documents.

Mr. LUCAS. Of course not.

Mr. McNARY. No committee sends out reports unless they are requested. Of course, an occasional Member may do so, but I venture, with the greatest confidence, to say that none of these printed records—I have reference now particularly to the 855-page document—has been sent out by the committee acting on their own initiative, unless it was at the request of some member. That has been the unbroken practice of committees of the Senate. I do not know about the incident the Senator from Vermont has cited, but I am speaking of the general practice.

Mr. LUCAS. The Senator from Oregon is absolutely correct. Personally, I do not like the inference upon the part of the Senator from Vermont that any member of the committee would do a thing of that kind. If the Senator from Vermont has any direct information regarding it, if he wants to name a member of the committee, and if he wants to go into a thing of that kind for the purpose of indulging in some personality or to point out how it has jeopardized the interests of this man, let him do that in an argument, let him give the facts, but not ask me about anything of that kind. Insofar as the Senator from Illinois is concerned, I stand upon the original argument I made, insofar as attempting in this case to defend the integrity of the Senate is concerned. I am not in the habit of sending out reports to newspapers in Illinois about this case or any other. Of course, if some lawyer in Illinois or some newspaper should write me and ask for a report or a document in this case, I would furnish it, but I would have to call on the clerk of the Committee on Privileges and Elections and ask him to send it out. I would not do it except on request.

Mr. AUSTIN. Mr. President—

Mr. LUCAS. I yield to the senior Senator from Vermont.

Mr. AUSTIN. Mr. President, I think it is time that the Senate understood that there is something extraneous to the issue here, and that the interrogatories by my colleague, Mr. AIKEN, refer to that matter.

The husband of the secretary of the junior Senator from Vermont obtained permission from a newspaper in the State of Vermont to publish a column in which he made an insidious attack upon me, challenging my good faith as a member of this committee in serving in the Langer case. For the purpose of giving my fellow citizens of Vermont access to the truth, as soon as it was possible, I put in the hands of the newspapers the evidence upon which my conduct was challenged.

I do not care to debate this subject nor to divert the Senate of the United States to give any attention to my personal affairs, and I do not think that it would contribute to the honor of the Senate to have this matter investigated. So far as this case is concerned, I think we will do well if we consider the facts of the case calmly and judicially, and not go into such a matter as is suggested by the junior Senator from Vermont.

I have been here 10 years; I, myself, never have encountered any such experience, and I do not know of any other similar case having arisen during the time I have been a Member of this body.

Mr. AIKEN. Mr. President—

Mr. LUCAS. I now yield to the junior Senator from Vermont.

Mr. AIKEN. I have no knowledge of the matter concerning the other newspaper of which my colleague speaks; I do not know a thing about it. I simply asked the Senator from Illinois to what extent the hearings, as I understand, 2,200 pages, have been distributed to others than Members of this body. That is all I wanted to go into, and that is all

I asked the Senator. He said he did not know.

Mr. LUCAS. Where did the Senator get the information?

Mr. AIKEN. I have no desire at all to go into any personalities. The information can be obtained from the Library of Congress. It is published in a Vermont newspaper.

Mr. LUCAS. Can the Senator tell me how he obtained the information; perhaps the committee would like to know? I would not want the Senator to cast any reflection upon my position here.

Mr. AIKEN. I read it in a newspaper that received one copy of the testimony.

Mr. LUCAS. The Senator is relying upon a newspaper, is he?

Mr. AIKEN. The newspaper statement was to the effect that it had received 2,200 pages of the testimony.

Mr. LUCAS. The Senator himself has made no personal investigation of the matter at all, as I understand.

Mr. AIKEN. The Senator from Vermont was asking the Senator from Illinois if the testimony had been generally distributed to others than Members of the Senate. That is all the Senator from Vermont wants to know.

Mr. LUCAS. The Senator proceeded to tell me that some 2,200 pages had gone to his State. I should like to know where the Senator gets that information. Does he get it from the newspaper or from an authoritative source?

Mr. AIKEN. From the newspaper itself.

Mr. LUCAS. Then what the Senator is saying now is based upon a newspaper story. I do not know anything about that, but I suggest that the Senator take it up with the chairman of the committee. I am merely an humble member of the subcommittee trying to do the best I can.

Mr. BARKLEY. Mr. President—

Mr. LUCAS. I yield to the Senator from Kentucky.

Mr. BARKLEY. Has any document containing 2,200 pages of testimony ever been printed by the committee under its authority? As I understand, all that has been printed has been this green volume with 855 pages of testimony, the majority and minority reports, and the memorandum of information containing 103 pages, and that the other matter referred to by the Senator from Louisiana was in the nature of a single copy of a report made by the investigators and in possession of the committee but which has not been printed in any pamphlet form. Am I correct?

Mr. LUCAS. The Senator's statement is correct. There are not 2,200 pages in any document the Committee on Privileges and Elections has approved and distributed among Members of the Senate. The public hearings of the committee comprise 855 pages, and the other documents referred to by the Senator from Kentucky are of course much less lengthy.

Mr. BARKLEY. So that there is no official document of 2,200 pages that has ever been printed by the committee?

Mr. LUCAS. That is correct.

Mr. ELLENDER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Louisiana?

Mr. LUCAS. I yield.

Mr. ELLENDER. Reverting to the issue before the Senate, the pending motion of the Senator from Tennessee [Mr. STEWART], I should like to know from the Senator if it is not a fact that many of the charges which were made against Senator LANGER and upon which much testimony has been taken by the committee were actually thrown out by the committee and found to be unwarranted or not to afford sufficient evidence to justify action against the Senator?

Mr. LUCAS. Yes; I will say to the Senator that is what we did in the committee print.

Mr. ELLENDER. If all the testimony and exhibits should be printed as proposed, would it not necessarily involve the printing of much evidence which would not be at all pertinent to the charges now before the Senate?

Mr. LUCAS. That is correct. In other words, the subcommittee took under consideration all the charges which were filed in the original petition sworn to by the petitioners, and we eliminated a number of those charges, as set forth in the confidential committee print; in fact, all the charges concerning the election were eliminated, and nothing was left with the exception of the charges of moral turpitude.

Mr. BARKLEY. Mr. President, will the Senator yield to me to make a parliamentary inquiry?

The PRESIDING OFFICER. Does the Senator from Illinois yield for that purpose?

Mr. LUCAS. I yield.

Mr. BARKLEY. Is the motion of the Senator from Tennessee now before the Senate or not? Is there any motion now pending before the Senate?

The PRESIDING OFFICER. There is no motion now pending. The Senator from Illinois did not yield for that purpose.

Mr. STEWART. Mr. President—

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Tennessee?

Mr. LUCAS. I yield.

Mr. STEWART. The Senator specifically stated that he did yield for the purpose of allowing me to make a motion, and not only that, but stated that he would vote for it.

Mr. CLARK of Missouri. Mr. President, will the Senator from Illinois yield to me to make a parliamentary inquiry?

Mr. LUCAS. I yield.

Mr. CLARK of Missouri. Is it in order at this time, even if the Senator from Illinois yields, to make a motion to print this testimony or anything else without referring it to the Committee on Printing?

The PRESIDING OFFICER. The Chair understands that such a motion would not be in order, it not being one provided under Rule XXII, and he is further inclined to believe that under the

rules of the Senate such a motion when made at an appropriate time should be referred to the Committee on Printing before being acted upon by the Senate.

Mr. STEWART. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STEWART. What would be the purpose of referring it to the Committee on Printing.

Mr. HAYDEN. As chairman of the committee, I can tell the Senator, if the Senator from Illinois will yield.

Mr. LUCAS. I yield for that purpose.

Mr. HAYDEN. It would be in order to ascertain what it would cost. The best estimate I can get is that it would cost about \$10,000 to print the testimony; that printing it would take a good deal of time, and divert the employees at the Government Printing Office, who are very much occupied. The estimate I have stated may be low.

The PRESIDING OFFICER. For the information of the Senate, the Chair will read the law applicable to the case:

Either House may order the printing of a document not already provided for by existing law, but only when the same shall be accompanied by an estimate from the Public Printer as to the probable cost thereof.

The Senator from Illinois is recognized.

Mr. LUCAS. Mr. President, I shall proceed with the argument. If the Senator from Tennessee desires to make his motion a little later, I shall yield to him for that purpose; and I repeat I shall vote for the motion, if he makes it.

Mr. STEWART. Did the Chair rule on the parliamentary situation?

Mr. LUCAS. Yes; the Chair recognized the Senator from Illinois as having the floor.

The PRESIDING OFFICER. The Chair has made no ruling. The Chair has indicated what the Chair understands the law and the rule to be. It is the Chair's understanding that the Senator from Illinois did not yield for the purpose of permitting the Senator from Tennessee to make a motion.

Mr. STEWART. Will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. STEWART. I again ask the Senator from Illinois whether he will yield and whether or not he so stated a few moments ago, for the purpose of allowing me to make the motion?

Mr. LUCAS. I stated I would ultimately yield, and that when I did and the motion is made I would vote for the Senator's motion.

Mr. STEWART. I do not know; there may be a definition of the word "ultimately" involved. [Laughter.]

Mr. LUCAS. Mr. President, I shall proceed with the argument, but before doing so I wish to make one statement suggested to me a few moments ago by another Senator who could make the statement better than I, and he raised a very pertinent point. When we are seeking to get a quorum here it often requires two roll calls before one can be developed, even at a time when we have under consideration a question which is

as important as that now before us. If it takes two roll calls to get a quorum of the membership in the United States Senate when a man's public life is at stake, I doubt very much that it would be possible to get the Members of the Senate to read forty-six or forty-seven hundred pages of testimony.

Mr. STEWART. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. STEWART. The Senator should not take advantage of their absence from the Chamber to read the testimony.

Mr. LUCAS. That is probably true, but this is the place where the evidence should be debated. I am not complaining. I merely make this suggestion now because of the situation in which the motion which the Senator from Tennessee may ultimately make places us.

Mr. President, about an hour ago I was discussing a question involving the sale of the Mexican land stock. There has been some testimony in the record, and some statements have been made, about what Representative Lemke did in that connection. I think at one time he was president of the Land Finance Co., of which we have heard a good deal in this case.

On the 15th day of June 1939, Lemke as president of the Land Finance Co. caused to be filed with the Agrarian Claims Commission of the United States of Mexico, under the agreement of November 9 and 12, 1938, a claim for \$932,787.81. After an explanation and description of various tracts of land and personal property, and a statement in relation to the expenses which had been paid, including attorneys' fees and other expenses, all of which covered several pages, Lemke said:

Wherefore the claimant asks that the Mexican Government compensate the claimant in the sum of \$932,787.81 United States currency, being the total value of the land expropriated, together with improvements, taxes, and necessary expenditures.

Dated June 15, 1939.

The affidavit is as follows:

William Lemke being first duly sworn, says that he is the duly elected and acting president of the Land Finance Co., and that he has read the foregoing claim, knows the contents thereof, and that he has been authorized to prepare the same by the Land Finance Co. and that the same is true and correct to the best of his knowledge, information, and belief.

I call attention to the type of affidavit—on "information and belief."

In looking through this claim, and particularly at the part where he gives the value of all the land, it will be noted at the conclusion of each statement he says something to this effect, "reasonable average value was \$40 per acre," not at the time the claim was filed, "reasonable average price per acre was \$5," and so forth.

I ask unanimous consent of the Senate to insert this claim in the RECORD, to be printed in full at this point in my remarks.

The PRESIDING OFFICER (Mr. CLARK of Idaho in the chair). Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[Larger Exhibit 120]

BEFORE THE AGRARIAN CLAIMS COMMISSION, THE UNITED STATES OF AMERICA AND THE UNITED STATES OF MEXICO (UNDER THE AGREEMENT OF NOVEMBER 9 AND 12, 1938), THE LAND FINANCE CO., A CORPORATION OF SOUTH DAKOTA, UNITED STATES OF AMERICA, AGAINST UNITED MEXICAN STATES

DOCKET NO. 175. CLAIM NO. 231

Claim

Comes now the Land Finance Co., a corporation of South Dakota, United States of America, and for its claim against the Mexican Government alleges:

1. That it is a domestic corporation of the State of South Dakota, United States of America, with its principal business office at Fargo, N. Dak., and that it is a citizen of the United States of America.

2. That all of its stockholders are citizens of the United States of America and consist of 187 in number.

3. That during the years 1907 to and including 1911, by invitation and encouragement of officers of the Federal Government of the Republic of Mexico, and relying upon the good faith of such invitations and encouragement, invested large sums of money in Mexican lands located on the west coast, to wit, in the sum of \$400,000 in United States currency, which sum was invested in Mexican lands, and in necessary expenditures in acquiring same, and improvements, and in the payment of taxes to the Mexican Government.

4. That during the years of 1912 to and including 1938 the Land Finance Co. expended additional sums of money in the payment of taxes and other necessary expenses in maintaining the property, to wit, the sum of \$25,000, making a total investment in lands, taxes, and improvements of \$425,000 in United States currency.

5. That the title to all of said lands stands in the name of William Lemke, sometimes written William F. Lemke, president of the said Land Finance Co., and that said title is held in trust for the Land Finance Co. That the record title was thus taken in the name of William F. Lemke, president of the Land Finance Co., for convenience, and that in fact the claimant, the Land Finance Co., furnished all of the funds in the purchase of said lands and in the payment of improvements, taxes, and expenses as aforesaid.

6. That between the years 1908 and 1911 the claimant, the Land Finance Co., purchased from various individuals, who had an undivided interest, and that the claimant is the owner of forty-eight fifty-sixths of the property known as Bayona Y. Nieblas, located partly in the State of Nayarit and partly in the State of Sinaloa, Mexico, and being on both banks of the Las Canas River, and which property consists of 70,570 hectares, or approximately 174,307 acres. And that the claimant is the owner of said property as alleged herein, blueprint of location of said property hereto attached. That is that prior to 1927 the Land Finance Co., by purchase, became the actual owner of 60,488.60 hectares, or 149,406 acres, of the original tract of 70,570 hectares, or 174,307 acres, of the Bayona Y. Nieblas ranch. (See contract of purchase and title deeds, Exhibits A-1, A-2, A-3, A-4, A-5, A-6, A-7, A-8, A-9, and A-10, herewith submitted and made part hereof.)

7. That on July 4, 1925, upon petition by some of the inhabitants of the village of Bayona, municipality of Acaponeta, Nayarit, the Mexican Government, through its agrarian commission, dispossessed the claimant of

1,284 hectares of said land, or approximately 3,171.48 acres, and granted the same to said village of Bayona. That thereupon by Presidential decree on March 1, 1928, the said grant to the village of Bayona was made permanent as to 493 hectares and 80 acres. The Mexican Government thereby confiscating and expropriating and permanently dispossessing the claimant of said 493 hectares and 80 acres, or approximately 1,219.69 acres. At the same time the Government dispossessed for $2\frac{1}{2}$ years the claimant of 791 hectares, or approximately 1,952 acres. (See pp. 3, 4, 5, 6, and 7, Diario Oficial of April 6, 1929, marked "Exhibit B," and submitted herewith and made part hereof.)

That said 493 hectares and 80 acres was mostly cleared and cultivated and close to a railroad station and among the most valuable lands in said tract of 60,488.60 hectares; that a reasonable price for same is \$40 per acre, United States currency; that it would cost over \$20 per acre, United States currency, to clear similar lands in that vicinity; that \$40 per acre is a fair and reasonable value for said 1,219.69 acres or 493 hectares and 80 acres. Therefore, because of said confiscation and expropriation, the claimant was damaged \$48,787.60 in United States currency as of the date of March 1, 1928, the date of permanent expropriation by Presidential decree.

That the reasonable rental value for the $2\frac{1}{2}$ years that the claimant was dispossessed of the 791 hectares, or 1,952 acres, was at least \$3.50 per acre, or total damage sustained because of said dispossession of said 791 hectares from July 4, 1925, to March 1, 1928, was \$7,320.

8 That prior to January 1, 1928, upon petition by some of the inhabitants of the village of El Tigre, Nayarit, the Mexican Government through its Agrarian Commission dispossessed the claimant of 540 hectares of said land, or approximately 1,333.80 acres, and granted the same to the village of El Tigre. That thereupon by Presidential decree on March 1, 1928, the said grant of 540 hectares to the village of El Tigre was made permanent. The Mexican Government thereby confiscating and expropriating and permanently dispossessing the claimant of said 540 hectares of said land, or approximately 1,333.80 acres. (See pp. 3, 4, 5, and 6, Diario Oficial of January 30, 1929, marked "Exhibit C" and submitted herewith and made part hereof.)

That said 540 hectares was mostly cleared and cultivated and close to a railroad station and among the most valuable lands in said tract of 60,488.60 hectares; that a reasonable price for same is \$40 per acre, United States currency; that it would cost over \$20 per acre, United States currency, to clear similar lands in that vicinity; that \$40 per acre is a fair and reasonable value for said 1,333.80 acres, or 540 hectares. Therefore, because of said confiscation and expropriation, the claimant was damaged \$53,352 in United States currency as of the date of March 1, 1928, the date of permanent expropriation by Presidential decree.

9 That on or about January 6, 1936, upon petition by some of the inhabitants of the village of Pajarito, Nayarit, the Mexican Government through its Agrarian Commission dispossessed the claimant of 247 hectares of said land, or approximately 610.09 acres, and granted the same to the village of Pajarito. That, thereupon, by Presidential decree issued on or about February 10, 1937, the said grant of 247 hectares to the village of Pajarito was made permanent. The Mexican Government thereby confiscating and expropriating and permanently dispossessing the claimant of said 247 hectares of said land, or approximately 610.09 acres. (See pp. 15 and 16, Diario Oficial of April 2, 1937, marked "Exhibit D" and submitted herewith and made part hereof.)

That said 247 hectares was mostly cleared and cultivated and close to a railroad sta-

tion and among the most valuable lands in said tract of 60,488.60 hectares; that a reasonable price for same is \$40 per acre, United States currency, to clear similar lands in that vicinity; that \$40 per acre is a fair and reasonable value for said 610.09 acres or 247 hectares. Therefore, because of said confiscation and expropriation, the claimant was damaged \$24,403.60 in United States currency as of the date of February 10, 1937, the date of permanent expropriation by Presidential decree.

10 That on or about April 30, 1935, upon petition by some of the inhabitants of the village of Bayona, municipality of Acaponeta, Nayarit, the Mexican Government, through its Agrarian Commission, dispossessed the claimant of an additional 472 hectares, or 1,165.84 acres, and granted the same to the village of Bayona. That, thereupon, by Presidential decree issued on or about May 3, 1937, the said additional grant of 472 hectares to the village of Bayona was made permanent. (See pp. 4 and 5, Diario Oficial of April 2, 1937, marked "Exhibit E" and submitted herewith and made part hereof.)

That said 472 hectares was mostly cleared and cultivated and close to a railroad station and among the most valuable lands in said tract of 60,488.60 hectares; that a reasonable price for same is \$40 per acre, United States currency; that it would cost over \$20 per acre United States currency to clear similar lands in that vicinity; that \$40 per acre is a fair and reasonable value for said 1,165.84 acres, or 472 hectares. Therefore, because of said confiscation and expropriation claimant was damaged \$46,633.60 in United States currency as of the date of May 3, 1937, the date of permanent expropriation by Presidential decree.

11 That on or about May 23, 1935, upon petition by some of the inhabitants of the village of El Tigre, Nayarit, the Mexican Government through its Agrarian Commission dispossessed the claimant of an additional 424 hectares, or 1,047.28 acres, and granted the same to the village of El Tigre. That thereupon by Presidential decree issued on February 10, 1937, the said additional grant of 424 hectares to the village of El Tigre was made permanent. The Mexican Government thereby confiscating and expropriating and permanently dispossessing the claimant of said 424 hectares of said land, or approximately 1,047.28 acres. (See pp. 5 and 6, Diario Oficial of April 10, 1937, marked "Exhibit F" and submitted herewith and made part hereof.)

That said 424 hectares was mostly cleared and cultivated and close to a railroad station and among the most valuable lands in said tract of 60,488.60 hectares; that a reasonable price for same is \$40 per acre, United States currency; that it would cost over \$20 per acre, United States currency, to clear similar lands in that vicinity; that \$40 per acre is a fair and reasonable value for said 1,047.28 acres, or 424 hectares. Therefore, because of said confiscation and expropriation claimant was damaged \$41,891.20 in United States currency as of the date of February 10, 1937, the date of permanent expropriation by Presidential decree.

12 That on or about January 8, 1936, upon petition by some of the inhabitants of the village of Tecuaililla, Sinaloa, the Mexican Government through its Agrarian Commission dispossessed the claimant of 648 hectares, or 1,600.56 acres, and granted the same to the village of Tecuaililla. That, thereupon, by Presidential decree issued April 20, 1938, the said grant of 648 hectares to the village of Tecuaililla was made permanent. The Mexican Government thereby confiscating and expropriating and permanently dispossessing the claimant of said 648 hectares of said land, or approximately 1,600.56 acres. (See pp. 23, 24, and 25, Diario Oficial of June 7, 1938, marked "Exhibit G" and submitted herewith and made part hereof.)

That said 648 hectares was mostly cleared and cultivated and close to a railroad station and among the most valuable lands in said tract of 60,488.60 hectares; that a reasonable price for same is \$40 per acre, United States currency; that it would cost over \$20 per acre, United States currency, to clear similar lands in that vicinity; that \$40 per acre is a fair and reasonable value for said 1,600.56 acres, or 648 hectares. Therefore, because of said confiscation and expropriation claimant was damaged \$60,022.40 in United States currency as of the date of April 20, 1938, the date of permanent expropriation by Presidential decree.

13 That on or about December 31, 1936, upon petition by some of the inhabitants of the village of El Aguaje, Nayarit, the Mexican Government through its Agrarian Commission dispossessed the claimant of 1,723 hectares, or approximately 4,255.81 acres, and granted the same to the village of El Aguaje. That, thereupon, by Presidential decree issued on September 28, 1938, the said grant of 1,723 hectares to the village of El Aguaje was made permanent. The Mexican Government thereby confiscating and expropriating and permanently dispossessing the claimant of said 1,723 hectares of said lands, or approximately 4,255.81 acres. (See pp. 3, 4, and 5, Diario Oficial of October 25, 1938, marked "Exhibit H" and submitted herewith and made part hereof.)

That 600 hectares, or 1,482 acres, of said 1,723 hectares was cleared and cultivated and is close to a railroad station and among the most valuable lands in said tract of 60,488.60 hectares; that a reasonable price for said 600 hectares, or 1,482 acres, is \$40 per acre, United States currency; that it would cost over \$20 per acre, United States currency, to clear similar lands in that vicinity; that \$40 per acre is the fair and reasonable value for said 600 hectares, or 1,482 acres. That 820 hectares, or 2,025.40 acres, out of said 1,723 hectares was wooded land but suitable for cultivation when cleared and is among the best and most valuable lands in said tract of 60,488.60 hectares; that the reasonable value of said 820 hectares, or 2,025.40 acres, is \$20 per acre, United States currency. That 100 hectares, or 247 acres, of said 1,723 hectares was palm land valuable for the palms and also valuable for cultivation when palms have been cut; that the reasonable value of the 100 hectares, or 247 acres, of palm lands is \$30 per acre, United States currency. That the balance of 203 hectares, or 501.41 acres, of the 1,723 hectares is pasture and rough lands; that the reasonable value of said 203 hectares, or 501.41 acres, is \$5 per acre, United States currency; making a total value of \$109,705.05, United States currency, for the 1,723 hectares, or 4,255.81 acres, expropriated as of date of September 28, 1938, the date of permanent expropriation by Presidential decree.

14 That on October 3, 1925, upon petition by some of the inhabitants of the village of La Loma, Sinaloa, the Mexican Government through its Agrarian Commission dispossessed the claimant of 790 hectares of said land, or approximately 1,951.30 acres, and granted the same to the village of La Loma. That thereupon by Presidential decree issued on or about February 17, 1927, the said grant of 790 hectares to the village of La Loma was made permanent. The Mexican Government thereby confiscating and expropriating and permanently dispossessing the claimant of said 790 hectares of said land, or approximately 1,951.30 acres. (See pp. 11, 12, and 13, Diario Oficial of June 28, 1927, marked "Exhibit I" and submitted herewith and made part hereof.)

That said 790 hectares was most cleared and cultivated and close to a railroad station and among the most valuable lands in said tract of 60,488.60 hectares; that a reasonable price for same is \$40 per acre, United States currency; that it would cost over \$20 per acre,

United States currency, to clear similar lands in that vicinity; that \$40 per acre is a fair and reasonable value for said 1,951.30 acres, or 790 hectares. That no settlement has ever been made of any part of this expropriation by the Mexican Government, nor has the claimant ever received one dollar because of said confiscation. Therefore, because of said confiscation and expropriation claimant was damaged \$78,052 in United States currency as of the date of February 17, 1927, the date of permanent expropriation by Presidential decree.

15. That on May 17, 1918, upon petition by some of the inhabitants of the village of La Concepcion, Sinaloa, the Mexican Government through its Agrarian Commission dispossessed the claimant of 1,755 hectares of said land, or approximately, 4,334.85 acres, and granted the same to the village of La Concepcion. That thereupon by Presidential decree on November 3, 1920, the said grant of 1,755 hectares to the village of La Concepcion was made permanent. The Mexican Government thereby confiscating and expropriating and permanently dispossessing the claimant of said 1,755 hectares of said land, or approximately 4,334.85 acres. (See pp. 1679 and 1680, *Diario Oficial* of December 11, 1920. Exhibit J.)

That said 1,755 hectares was mostly cleared and cultivated and close to a railroad station and among the most valuable lands in said tract of 60,488.60 hectares; that a reasonable price for same is \$40 per acre, United States currency; that it would cost over \$20 per acre, United States currency, to clear similar lands in that vicinity; that \$40 per acre is a fair and reasonable value for said 4,334.85 acres or 1,755 hectares. That no settlement has ever been made of any part of this expropriation by the Mexican Government, nor has the claimant ever received \$1 because of said confiscation. Therefore, because of said confiscation and expropriation claimant was damaged \$173,394 in United States currency as of the date of November 3, 1920, the date of permanent expropriation by Presidential decree.

16. That prior and subsequent to August 30, 1927, the Mexican Government through its surveyors and other governmental officials dispossessed the claimant of 18,732 hectares of said land in the State of Sinaloa, or approximately 46,267 acres, which lands were mostly unimproved and uncultivated. Part of these lands consist of grazing and mountainous lands.

The Mexican Government claims that these are excess lands and that claimant did not have title. But the fact remains that these lands have been and were in possession of the former owners and their ancestors from whom claimant bought them for over a hundred years and that these former owners did have title and that said title was confirmed by judicial decree. Therefore claimant had title. That a reasonable value of said land as a whole is \$5 per acre, United States currency. That as far as claimant knows this confiscation and expropriation is still incomplete and has not yet been made permanent by Presidential decree. That because of said expropriation the claimant has been damaged in the sum of \$231,335 United States currency. Claimant will endeavor to get and present further evidence on this expropriation.

17. That during the years of 1936 and 1937, upon petition by some of the inhabitants of the village of Copales, Sinaloa, the Mexican Government through its Agrarian Commission and surveyors dispossessed the claimant of a number of hectares of said land. The number of hectares being unknown because the claimant has been unable to get the information from the officials of the Mexican State or Federal Governments. This expropriation has not as yet been made permanent by state or Presidential decree.

Some of said lands were cleared and cultivated and close to a railroad station and

among some of the most valuable lands in said tract of 60,488.60 hectares; while some of the balance of said lands was not so valuable because it was rough, uncleared, and uncultivated. That a reasonable price for the cleared land is \$40 per acre, United States currency; that it would cost on an average over \$20 per acre, United States currency, to clear similar lands in that vicinity. That a reasonable price for the uncleared lands is from \$5 to \$20 per acre, United States currency, depending upon the character of the land, location, and fertility. That claimant will furnish evidence of the value of said lands and the amount of damages sustained because of said expropriation as soon as claimant is able to ascertain the location and the number of hectares expropriated.

18. That during the years of 1936 and 1937, upon petition by some of the inhabitants of the village of Las Pilas, Sinaloa, the Mexican Government through its Agrarian Commission and surveyors dispossessed the claimant of a number of hectares of said land. The number of hectares being unknown because the claimant has been unable to get the information from the officials of the Mexican State or Federal Governments. This expropriation has not as yet been made permanent by State or Presidential decree.

Some of said lands were cleared and cultivated and close to a railroad station and among some of the most valuable lands in said tract of 60,488.60 hectares; while some of the balance of said lands was not so valuable because it was rough, uncleared, and uncultivated. That a reasonable price for the cleared land is \$40 per acre, United States currency; that it would cost on an average over \$20 per acre, United States currency, to clear similar lands in that vicinity. That a reasonable price for the uncleared lands is \$20 per acre, United States currency. That claimant will furnish evidence of the value of said lands and the amount of damages sustained because of said expropriation as soon as claimant is able to ascertain the location and the number of hectares expropriated.

19. That during the years of 1936 and 1937, upon petition by some of the inhabitants of the village of Acaponeta, Nayarit, the Mexican Government, through its Agrarian Commission and surveyors, dispossessed the claimant of a number of hectares of said land. The number of hectares being unknown because the claimant has been unable to get the information from the officials of the Mexican State or Federal Governments. This expropriation has not as yet been made permanent by State or Presidential decree.

Some of the said lands were cleared and cultivated and close to a railroad station, and among some of the most valuable lands in said tract of 60,488.60 hectares; while some of the balance of said lands was not so valuable because it was rough, uncleared, and uncultivated. That a reasonable price for the cleared land is \$40 per acre, United States currency; that it would cost on an average over \$20 per acre, United States currency, to clear similar lands in that vicinity. That a reasonable price for the uncleared lands is from \$5 to \$20 per acre, United States currency, depending upon the character of the land, location, and fertility. That claimant will furnish evidence of the value of said lands and the amount of damages sustained because of said expropriation as soon as claimant is able to ascertain the location and the number of hectares expropriated.

20. That the expropriation and taking by the Mexican Government of the 26,004 hectares and 80 acres, or approximately 64,230.82 acres, of said lands, together with the incomplete expropriations and the taking of the lands for the inhabitants of Acaponeta, Copalfies, and Las Pilas, from the claimant takes virtually all of the lands under cultivation and cleared out of the 60,488.60 hectares owned by claimant. The remaining lands are of little value, not even good graz-

ing lands, because they are mountainous and contain little grass or water during the dry season.

21. That at the time that claimant bought the 60,488.60 hectares of the Bayona Y Nieblas ranch, which ranch consisted of 70,570 hectares, it was self-sustaining, but because of the revolutions and because of these confiscations and expropriations and dispossession the ranch became unprofitable and has been a financial loss to claimant ever since 1911. That in addition claimant paid \$55,782.72 pesos, Mexican currency, in taxes on said lands without any returns or profits.

22. That because of the permanent confiscations and expropriations, together with the incomplete expropriations and dispossession of the claimant of the cultivated and cleared lands, the claimant has been deprived of its rents and profits which it had derived prior to 1911 from said cultivated lands, and has been financially ruined, and has been deprived of the means with which to keep up the payment of taxes.

23. That the claimant before said confiscation, expropriation, and dispossession received from said cultivated lands an average rental of \$1.50, United States currency, per acre per annum, and that the reasonable rental value of said cultivated lands is \$1.50, United States currency, per acre per annum.

24. That the claimant had built three modern brick homes on said lands together with brick buildings used for office and headquarters; that the lands upon which these buildings were erected have been expropriated and confiscated by the Mexican Government. That these buildings were of the reasonable value of \$6,000, United States currency.

25. That the village of Concha, also known as Concepcion, located in the State of Sinaloa, is located on part of the land that the Mexican Government expropriated and took from the claimant. This village has about 500 or 600 inhabitants and in territorial extension covers about 1 square mile. It is a railway station for the Southern Pacific Railroad of Mexico. Passenger and freight trains stop there to receive passengers and freight for transportation. Railroad boxcars are frequently sidetracked for loading and unloading on the sidetracks at this station. It is a thriving and growing village, consisting of a number of stores, meat markets, small shops, and industries. It is a market where corn, beans, and other grains as well as fruits and vegetables are daily bought and sold.

That the lands in said village at the time of the expropriation had a value in addition to the value for agricultural purposes; that is, it had a value for townsite purposes and professional and business occupations, in addition to the agricultural value, of \$20,000, United States currency. Therefore, because of the expropriation of said village of Concha, claimant was damaged \$20,000, United States currency, as of the date of November 3, 1920, the date of permanent expropriation by Presidential decree.

26. That when claimant first negotiated for and bought these lands and obtained possession of them they were some 300 miles from railway transportation. That thereafter Southern Pacific Railroad of Mexico extended its line so that it now crosses said lands for a distance of about 27 miles and thereby greatly enhanced the value of the lands because it created new markets and increased market facilities.

27. That claimant paid out in attorney fees and other necessary expenses in attempting to protect its rights in connection with these expropriations the sum of over \$4,000, United States currency. That claimant made protest because of the confiscation and expropriation of these lands by the Mexican Government to the State and Federal Governments of the Republic of Mexico. These

protests were also made through the American Government through its consulate at Mazatlan, Mexico, and through its Embassy at Mexico City, as well as through the United States Department of State. That the Mexican Government never offered or paid one penny to claimant because of these confiscations and expropriations.

28. In summary, claim totals \$932,787.81, which amount is made up as follows:

Bayona, Nayarit: Grant—Two separate expropriations. Total, 965 hectares. (See paragraphs Nos. 7 and 10 above.) One hundred and eighty hectares were palm lands, 250 hectares were cleared and cultivated and suitable for two or more crops each year without irrigation and 535 hectares were mostly cleared and cultivated and suitable for one crop each year during the rainy season. Reasonable average value was \$40 per acre, or \$95,421.20.

Claimant was also dispossessed for 2½ years of an additional 791 hectares or 1,952 acres which were subsequently returned. Reasonable rental for period of dispossession for 2½ years: \$3.50 per acre or total damage, \$7,320.

El Tigre, Nayarit: Grant—Two separate expropriations. Total, 964 hectares. (See pars. Nos. 8 and 11 above.) Three hundred and fifty hectares were cleared and cultivated and suitable for two or more crops each year without irrigation and 614 hectares were mostly cleared and cultivated and suitable for one crop each year during the rainy season. Reasonable average value was \$40 per acre or \$95,243.20.

Pajarito, Nayarit: Grant—One expropriation, 247 hectares. (See par. No. 9 above.) Ninety-seven hectares were cleared and cultivated and suitable for two or more crops each year without irrigation and 150 hectares were mostly cleared and cultivated and suitable for one crop each year during the rainy season. Reasonable average value was \$40 per acre, or \$24,403.60.

Tecualilla, Sinaloa: grant—One expropriation 648 hectares. See paragraph No. 12 above. Two hundred hectares were cleared and cultivated and suitable for 2 or more crops each year without irrigation, and 448 hectares were mostly cleared and cultivated and suitable for 1 crop each year during the rainy season. Reasonable average value was \$40 per acre, or \$60,022.40.

El Aguafe, Nayarit: grant—One expropriation 1,723 hectares. See paragraph No. 13 above. Six hundred hectares were cleared and cultivated and suitable for two or more crops each year without irrigation. Reasonable average value for same was \$40 per acre, or \$59,280.

Eight hundred and twenty hectares were partly cultivated and wooded lands but all suitable for cultivation. Reasonable average value for same was \$20 per acre, or \$40,508.

One hundred hectares were palm lands also suitable for cultivation. Reasonable average value for same was \$30 per acre, or \$7,410.

Two hundred and three hectares, the balance, were rough and pasture lands. Reasonable average value for same was \$5 per acre, or \$2,507.05.

La Loma, Sinaloa: grant—One expropriation of 790 hectares. See paragraph 14 above. Two hundred hectares were cleared and cultivated and suitable for two or more crops each year without irrigation and 590 hectares were mostly cleared and cultivated and suitable for one crop each year during the rainy season. Reasonable average value was \$40 per acre or \$78,052.

La Concepcion, Sinaloa: grant—One expropriation of 1,755 hectares. See paragraph No. 15 above. Six hundred and forty-five hectares were cultivated and suitable for two or more crops each year without irrigation, 700 hectares were mostly cleared and cultivated and suitable for one crop each year during the rainy season and 410 hectares are brush, grazing, and meadow lands. Reasonable average value was \$40 per acre or \$173,394.

Sinaloa expropriation: This expropriation made by the surveyors and other governmental officials consists of 18,723 hectares mostly unimproved and uncultivated, consisting of agricultural, grazing, and mountainous lands. Reasonable average price per acre \$5, or \$231,335.

Townsite, Village of Concha: Reasonable value for townsite purpose in addition to value of agricultural lands, \$20,000.

Taxes paid: P55,782.72, or figuring exchange at 2 pesos for \$1, \$27,891.36.

Attorneys' fees: Paid Mexican attorneys and other expenses in defending our rights in connection with expropriation, over \$4,000.

Copales, Sinaloa: This expropriation is as yet incomplete. No Presidential decree. Boundaries not yet established.

Las Pilas, Sinaloa: This expropriation is as yet incomplete. No Presidential decree. Boundaries not yet established.

Acaponeta, Nayarit: This expropriation is as yet incomplete. No Presidential decree. Boundaries not yet established.

Improvements: Three brick homes and office buildings, \$6,000.

Wherefore the claimant asks that the Mexican Government compensate the claimant in the sum of \$932,787.81, United States currency, being the total value of the land expropriated, together with improvements, taxes, and necessary expenditures.

Respectfully submitted.

LAND FINANCE CO.,
By WM. LEMKE, President.

Dated June 15, 1939.

Mr. LUCAS. Mr. President, I now turn to book 2, page 854, and read from the testimony of William Lemke, as taken by the investigators. This was taken under oath. I start reading at the last paragraph on the page:

The Government of Mexico began to expropriate—a better word would be “confiscate” it—and continued to do so until all the improved or best part of the agricultural lands, in fact, nearly all the good lands, with the exception of a few, had been expropriated, and the Mexican Government has never paid or offered to pay anything for it except that they once offered to pay us for the improved lands, all to be paid for, the entire tract, and then offered to give us bonds that were absolutely worthless, and still are worthless, so far as I know, which offer was turned down.

Question. How long ago was that?

Answer. That was in 1922, I think.

Question. Have you had any subsequent negotiations with them?

Answer. They refused to negotiate.

That is to say, from 1922 to this year they refused to negotiate, according to Lemke's own testimony under oath.

There has been a commission appointed under the act of Congress to adjust it, and so far, as far as the land goes, no adjustment has been made. One commission has expired and another has been appointed, but I know of no one who has any confidence in recovering anything from the commission at present.

Question. Then what is your opinion, as president of this land finance company, as to the value of the stock of the company?

Answer. I would say as a commercial proposition it is now worthless.

Question. How long has it been worthless?

Answer. It is hard to fix a definite date because we who are connected with enterprises of that kind always hope that something may turn up to make it valuable, not so much for ourselves, but for those who are in with us. I would say for at least several years, the last 6 or 7 years, it was worthless, and you could not have obtained 1 cent on a dollar by offering it at public sale.

Question. How much of the stock of this corporation did Mr. LANGER own?

Answer. I have handed you a list which shows some \$38,000 worth that is in his name personally. Besides that, he controls that of his father and sister and brothers, brothers-in-law, which would amount to about, roughly, \$15,000 or \$20,000 more.

Question. And as the president of the company, do you keep books of the company?

Answer. I do.

Question. Have you within the last 5 years had any notice of change of ownership of any of the stock owned by Mr. LANGER?

Answer. I have not.

I might state for the reason he must not consider it of any value, is when this new commission was appointed, the limitation of the charter had run, and there were some back taxes, and so forth, and while many of the stockholders were able to contribute to meet the expenses, Mr. LANGER did not contribute but promised to contribute \$300 one time. But each time I would see him he would have another excuse.

And in view of the amount of stock he held, I felt that if he really felt it had any value, he would have assisted.

Question. Do your records show any ownership of stock in Thomas Sullivan of Chicago, an attorney?

Answer. They do not.

Mr. SMATHERS. Mr. President, will the Senator yield so I may suggest the absence of a quorum?

The PRESIDING OFFICER. Does the Senator from Illinois yield for that purpose?

Mr. LUCAS. I yield for that purpose. Mr. SMATHERS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	O'Mahoney
Austin	Glass	Overton
Bailey	Green	Pepper
Bankhead	Guffey	Radcliffe
Barbour	Gurney	Reed
Barkley	Hayden	Reynolds
Bilbo	Herring	Rosier
Bone	Hill	Russell
Brewster	Holman	Schwartz
Brown	Hughes	Shipstead
Bulow	Johnson, Calif.	Smathers
Burton	Johnson, Colo.	Smith
Butler	La Follette	Spencer
Byrd	Langer	Stewart
Capper	Lee	Taft
Caraway	Lucas	Thomas, Idaho
Chandler	McFarland	Thomas, Okla.
Chavez	McKellar	Thomas, Utah
Clark, Idaho	McNary	Tobey
Clark, Mo.	Maloney	Tunnell
Connally	Maybank	Tydings
Danaher	Mead	Vandenberg
Davis	Millikin	Van Nuys
Doxey	Murdock	Wheeler
Ellender	Murray	White
George	Nye	Wiley
Gerry	O'Daniel	Willis

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present.

Mr. CHANDLER obtained the floor.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. VANDENBERG. Earlier in the afternoon I submitted an inquiry to the able Senator from Illinois which it seemed to me bore very pertinently on the bona fides of the transaction between Sullivan and Senator LANGER at the time of the contract for the purchase of stock in the company owning Mexican lands.

The contract was made on May 27, 1937. The able Senator from Illinois was able to give me a part of the information which I sought. I now have obtained the rest from the Senate records, and I think the record should be completed for what it is worth.

At the time the contract for the purchase of the stock was made the stock very clearly represented nothing particularly tangible beyond a right of claim against the Mexican Government for expropriated lands. According to the Lemke petition, expropriation started as early as 1918. In other words, the whole property was virtually in a progressive process of expropriation, and had been for at least 10 years at the time the contract for the purchase of the stock was made. Therefore obviously the purchase was nothing more than the purchase of an interest in a claim against the Mexican Government.

I also asked how much the claim against the Mexican Government might reasonably be conceived to be worth. Mr. Lemke's petition to the United States Agrarian Claims Commission was filed on July 14, 1939. The Senate ratified the treaty on January 29, 1942, covering the complete adjustment of all agrarian claims filed with the Agrarian Claims Commission between August 30, 1927, and July 31, 1939. Therefore this claim is included among those which have been adjudicated.

The adjudication provided a total of \$40,000,000 for several series of claims. According to the estimate of the able Senator from Utah [Mr. THOMAS], who was presenting the treaty, the amount available for distribution in connection with the agrarian claims is about \$10,000,000. As nearly as I can recall the evidence before the Foreign Relations Committee, the total claims amounted to more than \$300,000,000. Therefore, in the final analysis the ultimate value contained in this right of action against the Mexican Government is the share which the petitioners have in \$10,000,000, divided on the basis of about \$300,000,000 worth of claims.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. ELLENDER. What was the amount asked for in the petition filed by the claimants?

Mr. VANDENBERG. Nine hundred and thirty-two thousand seven hundred and eighty-seven dollars and eighty-one cents.

Mr. ELLENDER. I understand the Senator to say that the treaty was signed in 1942.

Mr. VANDENBERG. The treaty was signed just 8 weeks ago.

Let me say for the information of the Senator from Louisiana that the claims are based upon expropriations starting as early as May 17, 1918. The petition is really a scenario in Mexican turmoil and confiscation, because apparently the company in which Mr. Sullivan was happy to invest \$25,000 in 1937 had suffered nothing but expropriations, serially, year by year, ever since 1918.

Mr. ELLENDER. As I recall the testimony of Mr. Sullivan, he indicated that

what induced him to invest was the fact that the claim was pending, and that he expected much from it.

Mr. VANDENBERG. I have just indicated what he may receive from it.

Mr. ELLENDER. I understand what he will probably receive from it; but still the matter was pending. The claim was filed, and the Senate had not acted upon it.

Mr. VANDENBERG. That is true.

Mr. ELLENDER. The testimony which Mr. Sullivan gave shows that he intended to obtain value received out of the stock, because of the pending claim.

Mr. VANDENBERG. Oh, yes; he relied upon the claim; he said so.

Mr. ELLENDER. Yes; he said so.

Mr. VANDENBERG. Anyone can draw any conclusion he wishes from the state of mind of a man who relies on a claim against the Mexican Government.

Mr. ELLENDER. I am not so much interested in the conclusion to be drawn at the present as I am in the facts as they appear from the record. Mr. Sullivan, as the evidence shows, married the private secretary of Mr. Lemke, one of the founders of the Mexican-deal corporation. She was acquainted with the value of the stock when her husband purchased it and, as a matter of fact, induced him to purchase it, according to the testimony of Mr. Sullivan.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. TAFT. I merely wish to suggest that the percentage suggested affords no reasonable basis for a conclusion. Some claims may have been filed on an utterly fictitious basis. This claim may have been filed on a sound basis. Others may have been filed on a basis of 10 times as much as the land was really worth. I do not see that we have any evidence of any kind in the record on the basis of which we can determine what this particular land may have been worth, or what might have been recovered on the claim. I do not think we can compare \$300,000,000 with \$10,000,000, and say that every one will receive 3 percent. The \$300,000,000 worth of claims do not in any sense represent adjudicated claims. They are merely paper claims. So I do not see that there is any evidence one way or the other as to what the land may have been worth.

Mr. VANDENBERG. The Senator is entirely correct in his statement that this piece of evidence is not conclusive. It simply indicates the over-all value of the claims and gives some indication of how much value there is in an investment in a claim against the Mexican Government. The \$10,000,000 or \$15,000,000, or whatever sum may be available, will, of course, be distributed among the various domestic claimants in the United States. As the Senator from Ohio says, some of the claims may be worthless. I understand that already a thousand of them have been entirely dismissed. This claim may be one of those. I have asked for the information, but no one has given it to me. I am providing the best information I can under the circumstances; and I think it is highly significant.

Mr. STEWART. Mr. President, will the Senator yield so that I may interrogate the Senator from Michigan?

Mr. CHANDLER. I yield.

Mr. STEWART. The information furnished to the Senate by the Senator from Michigan was to the effect that the Mexican land was expropriated in 1917 or 1918.

Mr. VANDENBERG. Starting in 1917 or 1918, and continuing serially down through the years.

Mr. STEWART. It began, then, about 20 years prior to the sale of the stock to Mr. Sullivan, the attorney in Chicago?

Mr. VANDENBERG. That is correct.

Mr. STEWART. That information was not printed in the little green book which lies on the desk of every Senator.

Mr. VANDENBERG. I do not know any more about the little green book than I ever knew about the "Little Green House" about which we used to hear. [Laughter.]

Mr. STEWART. That is a part of the testimony which I was anxious to have printed and furnished to Members of the Senate.

Mr. CHANDLER. Mr. President, there is one additional charge which the Senator from Illinois [Mr. LUCAS] had intended to present to the Senate. As all of us know, he has been on his feet nearly 3 days.

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. WILLIS. Has it ever been shown that Mr. Sullivan was reimbursed by the Great Northern Railway for the money he paid for the stock? Does such testimony appear anywhere in the testimony?

Mr. CHANDLER. I do not have any recollection of it. I should like to read that part of it which appears in the record of this transaction. Senator LANGER said:

"Finally I spoke up and said if he was so confident in Mr. Lemke's business ability and all that sort of thing, I had had some stock a long time that I was perfectly willing to sell at \$25,000, and the upshot of it was that after some talk we drew up a contract—

As the Senator from Michigan [Mr. VANDENBERG] says—

on the 27th of May 1937, by which Mr. Sullivan bought \$25,000 worth of that land. I might add that Mr. Sullivan is well fixed. He had donated money to the campaign funds in North Dakota and later had donated \$4,000 in cash to Senator Nye's campaign, and he was in that shape financially.

On page 608 of the committee hearings the following colloquy occurred:

Mr. MURPHY. I just want to ask you this question: Did the transaction with Mr. Sullivan, or your sale to him of the stock in the Land Finance Co., have any relation whatever, or have anything to do with the Great Northern Railway tax action?

Senator LANGER. No; he bought that stock in May 1937, and the board of equalization in 1937 met in the month of August—I do not have the exact day, but it was in August, anyhow—and you will notice that when we met we raised that assessment of the Great Northern Railway Co.

Mr. MURPHY. Raised it?

Senator LANGER. A little over \$87,000.

I think it is fair to say that the Senator was then speaking about the increase in actual taxes, and not in the assessment.

On page 703, when the Senator was being cross-examined by former Senator Burke, the following occurred:

Mr. BURKE. Well, Mr. Sullivan was to do the paying, and did it, in accordance with the terms of the agreement. Did you deliver the 500 shares of stock to him at that time?

Senator LANGER. No, sir; I still have all that stock; we simply have it on a 50-50 basis * * *.

Mr. BURKE. You never actually delivered any stock to Mr. Sullivan?

Senator LANGER. No, sir * * *.

Senator WILEY. There is nothing written showing that he has a half interest in the stock?

Senator LANGER. Absolutely nothing.

Senator WILEY. Was any receipt given?

Senator LANGER. For what?

Senator WILEY. For the payment.

Senator LANGER. They were all by check.

Senator WILEY. I mean, after the final payment was made, was there any receipt?

Senator LANGER. No, sir; he just paid the money.

On page 705 the following occurred:

Mr. BURKE. Did you consider the certificates of stock of sufficient value to place them in a safety deposit vault or other place of safekeeping?

Senator LANGER. I had them in my desk for a long, long time.

Mr. BURKE. Where are they now?

Senator LANGER. I wish I knew; I do not know where they are now.

Sullivan has a \$25,000 interest in some stock. He does not have the certificates. Senator LANGER does not have them and does not know where they are. I do not know where they are. I doubt if any member of the committee knows where the stock is, or whether the certificates are now in existence.

Again reading from the committee report:

On page 706 of the hearings, the following transpired:

"Mr. BURKE. So then, Mr. Sullivan, for his \$25,000 in cash, acquired a half interest in approximately, or in \$55,000 par value of the stock of that Land Finance Co., the stock not being presently available and nothing appearing on the records of the company to show that Mr. Sullivan has any interest whatever?

"Senator LANGER. That is exactly right.

"Senator WILEY. Has he ever demanded the transfer of his interest?

"Senator LANGER. No * * *."

Your committee directs the attention of the Senate to the contract that was drawn and signed by Attorney Thomas Sullivan and respondent in the former's Chicago law office on May 27, 1937, part of same being as follows: "payment of \$5,000 on said stock is hereby acknowledged and the balance is to be paid at periods not to exceed 6 months each, in equal installments of \$5,000."

Mr. WILLIS. I should like to ask one further question: Is any relationship shown between Mr. Sullivan's purchase of the stock and the reduction of taxes of the Great Northern Railway, except by presumption or inference?

Mr. CHANDLER. Unless it be presumed that Mr. Sullivan is a nitwit—and he may be—he would be silly to take a gamble on some sort of stock without getting the stock or without getting a receipt for it. I have no idea why he paid for it. I do not know whether or not the Senator has.

Mr. WILLIS. I know that in the past I have bought some oil stocks.

Mr. CHANDLER. But the Senator got the stock; did he not?

Mr. WILLIS. Yes; but I do not know where it is now.

Mr. CHANDLER. Nevertheless, the Senator got it. In the case referred to Mr. Sullivan never did get it.

Mr. STEWART. Mr. President, I think the record shows that Mr. Sullivan's employment by the Great Northern Railway Co., about which the Senator from Indiana inquired, was for the 2 years 1937 and 1938, and that he was paid \$20,000 a year.

Mr. CHANDLER. Yes.

Mr. STEWART. Of course, there is nothing in the record, so far as I know, that shows that Mr. Sullivan was reimbursed by the Great Northern Railway Co. for the \$25,000 he paid Mr. LANGER. If such had been shown, it would be quite conclusive.

Let me read an excerpt, which I believe has not been read, from Mr. LANGER's testimony with respect to the sale of the stock to Mr. Sullivan. From page 605 of the printed hearings contained in the little green book which lies on the desk of every Senator I read the third paragraph. Mr. LANGER said:

Anyhow, that land was bought by Mr. Lemke before the railroad was completed, and what we had together—he bought, later on, in the latter part of 1907 or 1908.

Lemke seems to have organized the Mexican Land Co., or to have been one of the principal movers in the organization of the concern.

That land exceeded 544,000 acres in one tract.

In Mexico the larger the tract, the more likely its expropriation seems to be.

And we had three good-sized towns down there, and one town that is not so good, a little bit of a place, a very rough place, and the little town we lived in was called Concha. They had buried four mayors there in about 6 months; they were having trouble down there all the time.

They were nothing like the towns in North Dakota which the Senator from Kentucky was discussing yesterday.

But we attended to our business and left the Mexicans to take care of their own business; and I lived for a while with Mr. and Mrs. Lemke, and some other folks lived there together. So I had this property in 1937 and that is about the time that I described to you that I was talking to Mr. Brunk about getting money to keep financing the Non-partisan League. So, when I was talking to Mr. Sullivan down there in Chicago one day, in his office, we got into an argument about Mr. Lemke.

I understand that in the meantime Lemke had become a political enemy of Mr. LANGER. Sullivan and Mr. LANGER were in Sullivan's office, and there was a discussion about Mr. Lemke. This is Mr. LANGER talking:

And he was telling me about his honesty and fairness, and so forth.

I presume Mr. Lemke's honesty and fairness were under discussion.

And finally I spoke up and said if he was so confident in Mr. Lemke's business ability and all that sort of thing, I had had some stock a long time that I was perfectly willing to sell at \$25,000, and the upshot of it was that, after some talk, we drew up a contract on the 27th of May 1937, by which Mr. Sul-

livan bought \$25,000 worth of land—that land.

In other words, the \$25,000 business deal.

Mr. WILLIS and Mr. DANAHER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield and, if so, to whom?

Mr. CHANDLER. I yield first to the Senator from Indiana and then to the Senator from Connecticut.

Mr. WILLIS. It is still not shown whether the transaction had any connection with changing the valuation of the Great Northern Railroad.

Mr. CHANDLER. The contract was entered into on the 27th day of May 1937. In August of 1937 the taxes of the railroad were less by approximately \$87,000. It should be remembered that the next year—1938—they were increased.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. CHANDLER. No; not now. I shall yield in a moment. I want to finish my comment on this matter.

It was testified that Mr. Sullivan was a very smart man and had unlimited means. He did not acquire unlimited means by business dealings of this sort; and it is not a compliment to Mr. Sullivan, if he is a good businessman and has the acumen which I imagine would have to be possessed by a lawyer who would be hired by a railroad company, to say that he took a gamble on this sort of stock—worthless, as it must be, because it has never paid anything—and did not even get the stock, and does not have it today. He did not acquire his unlimited financial means by deals of that sort.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. McKELLAR. The Senator says that the assessment of the railroad company was reduced in 1937. Was that while Mr. Langer was Governor?

Mr. CHANDLER. Yes.

Mr. McKELLAR. The Senator says that it was increased in 1938?

Mr. STEWART. I do not think that is correct.

Mr. MURDOCK. Mr. President, will the Senator yield to me?

Mr. CHANDLER. Not at the moment.

Mr. MURDOCK. I think the record should be kept straight on the matter. Yesterday we made one record on this point, a record which is contrary to what we are doing today.

Mr. CHANDLER. I ask the Senator to wait a minute, and I will correct the record. I am attempting to proceed in as orderly a fashion as possible, but I cannot talk about three or four things at one time. First I will answer the Senator from Tennessee.

In 1937 the valuation set by the State board and the Governor and other appointees of his was amended. It was \$63,779,715. My previous statement to the effect that the valuation was increased the next year was not correct. The valuation the next year was \$60,480,000—a difference of approximately \$3,000,000.

Mr. McKELLAR. In 1938?

Mr. CHANDLER. Yes; in 1938. That is what I intended to say; and I am glad

the Senator had me correct my previous statement. The valuation was reduced the next year.

Mr. McKELLAR. The valuation was reduced in 1938?

Mr. CHANDLER. Yes; it was reduced by approximately \$3,000,000.

Mr. McKELLAR. What taxes did the railroad pay in 1937 and 1938?

Mr. CHANDLER. I shall give those figures to the Senator. In 1937 the taxes levied were \$1,286,578, and that amount was paid. In 1938 the taxes paid were \$1,228,631—a difference of about \$58,000 in favor of the railroad company, as between those 2 years.

Mr. McKELLAR. What were they in 1939?

Mr. CHANDLER. In 1939 they were \$1,295,000; in 1937 they were \$1,286,000; in 1938, \$1,228,000; and in 1939, \$1,295,000.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. CHANDLER. I promised to yield to the Senator from Connecticut, and I yield first to him, since he was on his feet. Then I will yield to the Senator from Utah.

Mr. DANAHER. Mr. President, I thank the Senator from Kentucky. There is a particular which, it seems to me, the RECORD should be caused to reflect. When the Senator from Kentucky read from the colloquy which appears on page 66 of the committee report he omitted—unintentionally, of course—to reflect the fact that there are asterisks appearing in the record as printed, denoting omissions from the testimony as recorded. Those omissions, Mr. President, are significant, it seems to me, at the very least. The record upon which we are here acting and which we are here making should be caused to show what those omissions actually are.

Mr. CHANDLER. I should like the Senator to put those in in his own time. I did not note the asterisks; neither did I note the commas, the semicolons, the periods, or the dashes—and I have not time to do it now; but if there is other testimony which Members of the Senate want to put in the RECORD which is not printed in the hearings, I have no objection to having it put in the RECORD in their own time. In my reading it was omitted for the reason that it is not in the copy of the testimony from which I am reading, but I did read all that was there. The Senator will understand that I am substituting for the Senator from Illinois. I did not intend to do so, and did not know I was going to be called upon to do so. I do not want now to take the time to do what the Senator suggests, and if the Senator will do it at some other time I will be grateful.

Mr. DANAHER. Mr. President, will the Senator yield for a question?

Mr. CHANDLER. Yes.

Mr. DANAHER. When the Senator says he reads all he has before him, he means he is reading from page 66 of the committee report.

Mr. CHANDLER. I am reading from page 66.

Mr. DANAHER. There are three asterisks there.

Mr. CHANDLER. Yes.

Mr. DANAHER. The Senator did not read them.

Mr. CHANDLER. I did not read the asterisks; I read the testimony.

Mr. DANAHER. The Senator read—Senator LANGER. No, sir.

That is followed by three asterisks.

Mr. CHANDLER. I did not intend to read the asterisks or the semicolons or anything else in connection with it, but I do intend to read the testimony before me.

Mr. DANAHER. Mr. President, will the Senator yield for another question?

Mr. CHANDLER. Yes.

Mr. DANAHER. The Senator most certainly would wish to have all the Senators understand that if the asterisks referred to omitted matter which would throw light on the basis upon which Mr. Sullivan acquired the stock, he would not withhold such information from the Senate?

Mr. CHANDLER. Not for anything; no, sir. I was not aware of the fact that the presence of asterisks was intended to denote testimony favorable to the Senator from North Dakota. If that is so, I would want it to go in.

Mr. DANAHER. That is precisely what I wanted. Will the Senator permit me to do that?

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Connecticut for that purpose?

Mr. CHANDLER. Yes; I yield for that purpose.

Mr. DANAHER. I should like to do it now, if I may.

Mr. CHANDLER. I yield to the Senator to put it in the RECORD now.

Mr. DANAHER. I thank the Senator. Let us go back to page 66 and reread what the Senator from Kentucky read:

Mr. BURKE. Well, Mr. Sullivan was to do the paying, and did it, in accordance with the terms of the agreement. Did you deliver the 500 shares of stock to him at that time?

Senator LANGER. No, sir; I still have all that stock; we simply have it on a 50-50 basis. * * *

That is where the first omission occurs. By turning to page 703 of the printed hearings, I am sure the significance of what has been omitted will be perceived. In the printed hearings, this is what appears:

Senator LANGER. No, sir; I still have all that stock; we simply have it on a 50-50 basis—that is, Sullivan has been down—he had some man in New York by the name of Hastings—Hastings and I never met—dickering with the Mexican Government, and if that deal went through, we were to divide 50-50.

Mr. BURKE. You never actually delivered any stock to Mr. Sullivan?

Senator LANGER. No, sir.

At that point there are again omissions in the testimony as printed in the majority report; but the printed hearings continue:

Mr. BURKE. What was the exact number of shares that you owned?

Senator LANGER. It was in the neighborhood of \$55,000 worth.

Senator WILEY. Par value?

Senator LANGER. We figured that—

Mr. BURKE. \$55,000 at par value?

Senator LANGER. Yes.

Mr. BURKE. The par value of the stock was \$25 a share, was it not?

Senator LANGER. That is my understanding.

Mr. President, if the Senator from Kentucky, in his very gracious cooperation, will yield further, I think it is fair to comment at that point that the material which was omitted, as I have said, unintentionally insofar as the Senator from Kentucky was concerned, is significant in its relationship to the inference which might otherwise be drawn without that testimony.

Mr. CHANDLER. I think the statement of the Senator from Connecticut is too farfetched to have any bearing on it at all, although the admission was not mine; it was the failure of the committee to print it in its entirety; but the Senator should have gone further and read from page 706 what Mr. Burke said:

Mr. BURKE. So then Mr. Sullivan, for his \$25,000 in cash—

I have heretofore read that—

acquired a half interest in approximately, or in \$55,000—

Which is the amount the Senator read—

par value of the stock of that Land Finance Co., the stock not being presently available and nothing appearing on the records of the company to show that Mr. Sullivan has any interest whatever?

Senator LANGER. That is exactly right.

Senator WILEY. Has he—

That is Sullivan—

ever demanded the transfer of his interest? Senator LANGER. No.

Senator LANGER and others represent Mr. Sullivan as being a smart businessman, financially able and independent. He could not get his money back dealing in that sort of stock and by not taking a stock certificate, and by dealing in business of that character and description. It would seem strange indeed that Sullivan never asked for a transfer, and, apparently, so far as the committee knows, since that time has been disinterested in seeing, as I follow it, that the property ever comes into his possession. So much for that.

Mr. MURDOCK. Mr. President, will the Senator yield to me?

Mr. CHANDLER. I now yield to the Senator from Utah.

Mr. MURDOCK. It seems to me that in discussing the decrease and increase of taxes during the administration of Senator LANGER probably a better idea as to what was done could be had by taking the biennium during which he was Governor and comparing it with the biennium immediately preceding and that immediately following. As I recall—and I think my recollection is correct—1937 was a boom year, I think one of the best years since the depression of 1933 and 1934 until the war situation developed.

Mr. CHANDLER. Yesterday the Senator from Illinois was tackled on the proposition that it was a depression year. I do not recall which it was; it might have been one, but it was not both.

Mr. MURDOCK. I do not want to "tackle" anyone, and if I misstate the facts I should like to have the Senator correct me.

Mr. CHANDLER. The Senator was here, and he understood that it was stated that 1937 was a depression year.

Mr. MURDOCK. If so, I did not state it, for I think it is general knowledge that 1937 was considered to be a boom year. Members of the New Deal were severely attacked when 1938 came along and there was a considerable slump. Senator Langer was Governor during 1937 and 1938, and, taking the taxes paid by the Great Northern Railroad during his biennium, we find that the total is \$2,515,209, while for the biennium immediately preceding his administration we find that the total taxes paid by the Great Northern were \$2,378,485.

Mr. CHANDLER. Is the Senator talking about 1935 and 1936?

Mr. MURDOCK. The last figures relate to 1935 and 1936.

Mr. CHANDLER. The figures are not accurate according to the tax statement which is before me.

Mr. MURDOCK. The figures are taken from the statement.

Mr. CHANDLER. As I understand it, the amount is \$2,600,000-plus for those 2 years. I do not know where the Senator got his figures, but the statement I have does not show them.

Mr. MURDOCK. I got them from the record.

Mr. CHANDLER. According to my figures, the amount for 1935 was \$1,361,000, and for 1936 \$1,328,000. That is not the figure mentioned by the Senator.

Mr. MURDOCK. If the Senator will look at the column he is reading from he will note that he is reading from "taxes levied."

Mr. CHANDLER. That is right.

Mr. MURDOCK. I do not think the railroad company is so particularly interested in what is levied as they are in what is paid.

Mr. CHANDLER. That is right.

Mr. MURDOCK. If the Senator will turn to the column headed "Taxes paid," he will find that in 1935 \$1,194,449 were paid, and in 1936, \$1,184,036 were paid, making a total, if I have computed it correctly, of \$2,378,485. Those figures are for the biennium 1935-36. Then take the 1937-38 biennium during which Governor Langer was Governor and we find in 1937 \$1,286,578, and in 1938, \$1,228,631, making a total of \$2,515,209, or an increase during the Langer biennium of \$136,724.

Mr. CHANDLER. The Senator is using figures that represent years when there was greater depression than there was in 1937 and 1938. The Senator is losing sight of the fact that in 1935 \$167,209 of taxes were abated and that the next year \$145,252 of taxes were abated.

Mr. MURDOCK. They were abated.

Mr. CHANDLER. What does that mean?

Mr. MURDOCK. It simply means that during those years the former Governor, I think under a decision of the court, abated that much of the taxes.

Mr. CHANDLER. Then, as to the aggregate of taxes paid by the railroad company during the term to which the Senator refers when Senator Langer was Governor, what is the difference?

Mr. MURDOCK. The difference is that the taxes actually paid were \$136,724 more in the Langer administration than in the previous biennium.

It seems to me, if there is any weight to be given to the matter, certainly the bienniums of two Governors should be taken into consideration. I think, however, the record here does not give the biennium following; it gives 1939, but I believe that that was a better year than 1938.

Mr. CHANDLER. I think the significant thing about it, and the thing which should be remembered, is that the amount of taxes paid by the railroad company in 1937 was \$1,286,000, and the next year they amounted to \$1,228,000. They were reduced right sharply the next year.

Mr. MURDOCK. By \$58,000.

Mr. CHANDLER. Yes.

Mr. MURDOCK. I wonder whether it is fair to assume that a railroad company, in order to get a reduction of \$58,000, is going to pay Attorney Sullivan \$20,000 a year, and Mr. Langer \$25,000?

Mr. CHANDLER. That would be good business. I assume, however, that Mr. Sullivan had other duties. I assume that was not the sole job of Mr. Sullivan, because he is represented as being a man of great wealth and influence and power, and not necessarily employed by one railroad company.

Mr. MURDOCK. If the Senator will yield for one further observation—

Mr. CHANDLER. \$25,000 and \$20,000 makes \$45,000, and the difference between that and \$58,000 is \$13,000. There is some difference.

Mr. MURDOCK. Is it reasonable to assume that the attorney for a railroad company will go bad for that amount of money?

Mr. CHANDLER. I am not trying to answer that; I do not know whether he would or not, but I know that this transaction does not look good to me, and it has not been explained satisfactorily to me. If it has been explained satisfactorily to the Senator, I have no objection.

Mr. MURDOCK. That has nothing to do with the facts of the case.

Mr. CHANDLER. It has something to do with them. We are going to vote on whether we are satisfied by the testimony or not.

Mr. MURDOCK. The final observation I desire to make, if the able Senator will yield, is that there is too much assumption in this matter, and not enough good, cold facts.

Mr. CHANDLER. I think the Senator is mistaken. I have heard objections made about Senators assuming and Senators having conclusions. I have always noticed that a Senator does not object to having his own conclusions, but he frequently objects to someone else having his.

Mr. MURDOCK. Oh, no—

Mr. CHANDLER. I have a right to assume and to draw conclusions, and if I have conclusions, I have a right to state them. My conclusions are my own, and I do not ask anyone else to take them. They are based on facts, as I believe the

facts to be. Many Senators assailed the Senator from Illinois at some length about putting conclusions in the report. Of course, they will not be satisfactory to all, but they are his conclusions and mine, and if I have them, I cannot do anything about it; and I happen to have them.

Mr. TUNNELL and Mr. McKELLAR addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield, and, if so, to whom?

Mr. CHANDLER. I yield first to the Senator from Delaware; then I will yield to the Senator from Tennessee.

Mr. TUNNELL. I should like to ask the Senator from Kentucky whether the important thing in this transaction was whether or not Senator Langer accepted, under suspicious circumstances, a large fee from a tax representative of the railroad company, which the following year received a reduction of \$3,000,000 in its assessment.

Mr. CHANDLER. I do not think it is explained why Senator Langer, as the Governor of his State, had this dealing. I wish to say that, in my opinion, the Governor of a State dealing with a lawyer for a railroad company cannot possibly have any relationship with good government and good business. I have to say that. Senator Langer, while he was Governor, in my opinion, had no business, even if it was a legitimate deal, making a deal with a railroad attorney in which he sold for some \$25,000 worthless stock and never delivered it, and the purchaser never got anything for it. It has not been explained satisfactorily to me, not even by Senator Langer, or by anybody else who has spoken for him, and such a transaction on the part of the Governor of a State with a railroad, where stock of no value is transferred but not delivered, and where \$25,000 passes, should be impossible in good business dealings, in the United States or anywhere else.

Mr. TUNNELL. Whether or not the assessment was reduced?

Mr. CHANDLER. That has nothing to do with it, in my opinion.

I now yield to the Senator from Tennessee.

Mr. McKELLAR. I understand fully what the Senator says about it being a very serious matter, and it is exceedingly serious; but, inasmuch as railroad companies are obliged to keep accounts of their financial dealings, and are constantly subjected to the examination of public officials, I am wondering whether the committee made any examination of the railroad company's books, or whether it invited or had before it any representative of the railroad company to testify as to whether the railroad company furnished the money to this man Sullivan.

Mr. CHANDLER. The records show that Sullivan got \$20,000 for 2 years, and that was all the investigators were able to ascertain.

Mr. McKELLAR. They did not take the testimony of the railroad company as to where the \$25,000 came from?

Mr. CHANDLER. No.

Mr. McKELLAR. And the \$20,000 paid to Sullivan was paid in salary for those 2 years?

Mr. CHANDLER. Yes.

Mr. CLARK of Missouri. Mr. President, will the Senator from Kentucky yield to me?

Mr. CHANDLER. I yield.

Mr. CLARK of Missouri. I should like to ask the Senator from Kentucky if the record printed in this green book, or otherwise, shows anything as to the question whether the treatment accorded to the Great Northern Railroad by the State board of equalization, or whatever the body is—it is the State board of equalization in my State—during the years involved, was any different from the treatment accorded other railroads. In other words, was the reduction given all the railroads during those years, and the subsequent increases put on all the railroads, or was the Great Northern singled out from other railroads for peculiar and unique treatment?

Mr. CHANDLER. I cannot answer that, although the investigator informs me that it is the largest one of the railroads.

Mr. CLARK of Missouri. I do not desire to press the Senator if he does not know—

Mr. CHANDLER. I cannot give the Senator an answer.

Mr. CLARK of Missouri. I am asking the question purely for information. It seems to me it is a very relevant and important fact as to whether the Great Northern Railroad received unusual treatment, outside the general trend of the course of conduct of the State board of Equalization with regard to railroad taxation, or whether it was simply in a piece with the general trend.

I know, and the Senator from Kentucky knows, that in certain years the taxes of all railroads and all utilities may be subject to increase, and the next year, or some other year, they may be subject to decrease, entirely governed by conditions. What I should like to ascertain, if it is in the record—and I am frank to say I have not read the record—is whether the treatment accorded the Great Northern was in conformity with the general trend.

Mr. CHANDLER. I am not able to say that they got any worse treatment or any better treatment than that received by other railroads, but I know that the Great Northern was the only railroad company which had a lawyer who dealt with the Governor.

Mr. CLARK of Missouri. It would not seem to have done them any good, if they did not get any better treatment than any other railroad received.

Mr. CHANDLER. The showing is that they did get better treatment. This is the only information the committee got, that a railroad company had a lawyer who bought stock from the Governor and paid him \$25,000 for it. That is the only answer I have to that.

Mr. BONE. Mr. President, will the Senator from Kentucky yield?

Mr. CHANDLER. I yield.

Mr. BONE. I wonder whether I am reading an accurate statement of the facts in what I find on page 29 of the

report setting forth the minority views. It does not indicate that the Great Northern got any different treatment from that accorded any other railroad, so I wonder what significance this might have. I have dealt with utilities for a good many years. I think that if there is any Member of this body who has occasion to know what they do, I am that man, and I know they do not waste any money, that when they go after something they want to know there is a quid pro quo. That is what makes me want to know whether the Great Northern got more than was accorded to the Milwaukee, or any other railroad, and if they did not, I think the Members of this body, who are practical-minded men, have to draw very definite conclusions from that fact. That is why I ask whether this statement is an accurate portrayal of the facts. Here I find some assessed values set out. I do not want to make a mountain out of a mole hill, or in any other way misconceive the significance of the facts and the statements set out in the minority report. As I hurriedly read this, it does not indicate that the Great Northern got any more consideration than the other railroads received.

Mr. CHANDLER. I do not think they got as much as they paid for. Somebody paid for more than they received.

Mr. BONE. I have seen many strange things in my life, but I know full well that if a utility company pays a public official, it gets a quid pro quo. I know that, and every other man in public life who has dealt with public utilities knows it. Men in this body who have been Governors of States know the significance of this. To me the one point is whether the Great Northern Railroad got something which no other railroad got. I have had sufficient experience along this line to know that that is the acid test.

Mr. CHANDLER. In the second year they got a reduction in taxes of \$58,000. I do not know whether that was what they were looking for, but that is what they got. Even if they did not get anything, the fact of the Governor of a State—and I have had the honor of being Governor of my State—dealing with a lawyer for a railroad company, and selling him \$25,000 worth of worthless stock—and there is no doubt about it being worthless—at a time when the assessment was about to be made, and at a time when taxes were about to come due, in my opinion is an impossible situation, and cannot be condoned as good government.

Mr. BONE. Aside from whatever relationship that might set up, and whatever the implications of it, I am interested in ascertaining whether the Great Northern in that year received greater consideration than was accorded the other railroads.

Mr. CHANDLER. I do not know whether they did or not.

Mr. BONE. All through the West there were reductions in taxation. I do not know whether in my own State there was something unusual, but I have seen the State board of equalization in my State do things which were astounding. For instance, the power companies of my

State sent out a million pieces of literature to the voters, put out by men who were jealous of their honor, a million pieces of literature in which they stated that they had \$300,000,000 worth of property on the tax rolls. That was 18 years ago, and they claimed they were putting 10 to 20 million dollars of new property on the tax rolls every year—yet this year the value on which they pay taxes in my State is a little over \$46,000,000. I do not know whether that is unusual, but I know it is a fact.

Mr. President, I know if I were critical about it and wanted to be real mean, I could draw some very invidious comparisons. I would not have to go outside of my own State to do so. But I shall not do that. Being practical and cold-blooded about these things, and certainly having had a world of experience with them, I want to know what the one road got over some other railroad. That does not militate against the argument being made by the Senator from Kentucky, but I merely want to know what the cold-blooded dollars-and-cents facts are.

Mr. CHANDLER. I have given them in the temporary absence of the Senator from Washington. I read from page 67 of the report:

But the most significant thing of all, in the opinion of your committee, lies in the fact that in 1938 there was a reduction in the assessed valuation of the railroad property belonging to the Great Northern Railway Co. in the State of North Dakota in the sum of \$3,000,000, and 15 days before that reduction was made by the board of equalization the final check for this worthless stock was paid by Sullivan to the respondent. It is no small amount. It is in the sum of \$12,475.

Now follows another strange and rather unusual situation involving the cashing of this check. Respondent—

Governor LANGER—

had borrowed on his life-insurance policies various sums of money.

Mr. President, there is nothing wrong about that.

On August 13, 1938, there was due \$8,046.13. When he received this check from Thomas Sullivan on that date, he immediately sent the same to the insurance company at Milwaukee, Wis., asking that his loans be paid in full and the check drawn in his behalf for the balance.

Mr. President, he did not send his own check to pay off the loans. He sent to the insurance company the check which he received from Sullivan, and the insurance company credited that check on the amount of his debt and sent back to him the balance.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. ELLENDER. What significance does the Senator attach to that? Here was a debt owing by Sullivan to LANGER. It was paid by way of a check. The check was payable to the order of Mr. LANGER and he had to endorse it. Mr. LANGER sent that check to Milwaukee to pay on account or in full settlement of a debt which he owed to an insurance company. I should like to ask the Senator to explain what significance he attaches to such a method of payment? A great deal of emphasis has been made about that method

of procedure. Let me further add that if I desired to steal \$12,000 or \$25,000, I certainly would not sign any contracts, or have the checks made payable to me so that I would have to endorse them to obtain the cash.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. CLARK of Missouri. The check from Sullivan to LANGER, as payee, when it was sent to the insurance company, had LANGER's endorsement on it, did it not?

Mr. CHANDLER. I assume it did.

Mr. CLARK of Missouri. What would be the difference between LANGER sending his own check, and sending a check payable to him, with his own endorsement on it?

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. TUNNELL. Does not the Senator think there is a difference between depositing a check in some other person's bank and depositing it in his own bank?

Mr. CHANDLER. I think so, and if some Senators do not think so they must consider me stupider than I am. I am not going to answer that, because it seems on its face to be stupid.

Mr. ELLENDER. Mr. President, I will ask the Senator to answer it.

Mr. CHANDLER. I have made a statement of fact. Senators can draw their own conclusions. I will draw mine.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. BARKLEY. I did not get clearly what the Senator said about the amount of the check being the same as the amount of the debt. Was it the same?

Mr. CHANDLER. No; it is not significant to one who does not believe it is, but it is significant to me that in 1938 there was a reduction in the assessed valuation of the railroad property belonging to the Great Northern Railway Co. in the State of North Dakota in the sum of \$3,000,000, and 15 days—that is close to the time—15 days before that reduction was made by the board of equalization, of which the Governor of North Dakota was a member, the final check for this worthless stock was paid by Sullivan to the Governor.

Mr. BARKLEY. Will my colleague again yield?

Mr. CHANDLER. I yield.

Mr. BARKLEY. The \$25,000 then was paid in installments? Is that true?

Mr. CHANDLER. Yes. This was the last part of it, the final check, and it was in the sum of \$12,475. I do not know why the Governor did not deposit that in his bank to his credit, but he did not do so. I am not undertaking to explain why he did not do it. He probably had his own reason, but this is what he did: He owed the insurance company in Milwaukee, Wis., \$8,046.13. When he received the check from Thomas Sullivan in the amount of \$12,475, I assumed he endorsed it and sent it to the insurance company to pay a debt of \$8,046.13, and the insurance company accepted it in payment of his loan in full and complied with his request to send the rest of the

money back to him. That was the way the transaction was handled. Senators can draw their own conclusions about why that was done.

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. WILLIS. Was the date on which the last check was sent the date set out in the contract made several months before?

Mr. CHANDLER. No. That contract was not strictly adhered to. The last payment was made 15 days before the \$3,000,000 reduction was made by the board of equalization in North Dakota of the railroad company's assessment.

Mr. ELLENDER. Mr. President—

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from Kentucky yield to the Senator from Louisiana?

Mr. CHANDLER. I yield.

Mr. ELLENDER. How long was that last payment made after the contract was entered into?

Mr. CHANDLER. The contract was entered into the 27th day of May 1937.

Mr. ELLENDER. I recall that; but, according to the contract, \$5,000 was paid on the execution of it, and then payments were to be made of \$5,000 each 6 months thereafter.

Mr. CHANDLER. At periods not to exceed 6 months apart, in amounts of \$5,000.

Mr. ELLENDER. That is correct; but is there anything to indicate that the payments were not made in accordance with the agreement?

Mr. CHANDLER. The last payment was made before the assessment was reduced, I will say to the Senator. I do not know why it was made at that time, but it was.

Mr. ELLENDER. The fact remains that the payments were made according to the signed contract. Will the Senator tell us the date of the payment?

Mr. CHANDLER. Fifteen days—

Mr. ELLENDER. No; I am talking about the date of the payment of the \$12,000 check.

Mr. CHANDLER. The 13th day of August.

Mr. ELLENDER. Of what year?

Mr. CHANDLER. Nineteen hundred and thirty-eight. I read from the report:

They [the insurance company] enclosed the receipt for the total amount due on the loans and the policies themselves; enclosed the loan agreements, which had been canceled and also their check, payable to the order of respondent in the sum of \$4,428.87, which was due and owing him because of this. Copy of the insurance letter and receipts are records in this matter.

Your committee further calls attention to the evidence on page 704 of the hearing:

"Senator WILEY. I mean, after the final payment was made, was there any receipt?"

"Senator LANGER. No, sir; he just paid the money."

"Senator WILEY. Where was the final payment made; in St. Paul?"

"Senator LANGER. It was made in St. Paul."

The record in this case is a complete blank as to what value Thomas Sullivan received in exchange for the \$25,000 he paid to the respondent, then Governor of North Dakota. The actions of respondent and Thomas Sullivan, as disclosed by their own testimony, are vague and uncertain as to the real mo-

tives prompting the philanthropic and charitable attitude of Mr. Sullivan. All of their testimony is inconsistent with common honesty and decency, when one considers the peculiar relationship of Sullivan as special attorney for the Great Northern Railway Co., and the respondent as Governor, who was ex officio chairman of the board of equalization of the State of North Dakota.

Mr. President, I do not believe that transaction can be defended.

I continue reading from the report of the committee:

XI. Gregory Brunk and V. W. Brewer make almost \$300,000 in gross profits on North Dakota bonds in 1937 and 1938—Brunk purchased eight unseen \$56,000 worth of real estate from respondent—

From the Governor—

with an equitable value of \$5,600.

As heretofore shown, the respondent was Governor of North Dakota during the years 1937 and 1938. Respondent was a close friend of one V. W. Brewer, a bond broker of Minneapolis, Minn., who had been engaged in the bond business in the Dakotas for more than 20 years, first as a local representative and later free lancing for himself. Respondent was also a close and intimate friend of one Gregory Brunk of Des Moines, Iowa, who was a partner of V. W. Brewer, operating under the firm name and style of V. W. Brewer Co. Brunk was also the sole owner of the Realty Holding Co., a corporation of Des Moines, Iowa, which had a capital stock of \$100.

It was quite a company. It had a capital stock of \$100.

The evidence shows that Brunk had been a friend of LANGER over a long period of years, first meeting him at a farmers' convention at Des Moines, back in 1930. Thereafter LANGER employed Brunk in a legal way for the first time. The nature of the employment had to do with a claim of attorney's fees from an Indian. Brunk was an intimate friend and attorney of one Milo Reno, who was the spearhead in the Farm Holiday Association, in which respondent played an important role, and the evidence shows that the three of them were together upon many occasions.

During the trial of respondent on the first conspiracy charge, Brunk solicited funds through the Republican National Committee for his defense and according to Brunk's testimony, he raised \$5,000, and that he also gave his own check to the respondent for \$1,000 for his defense. When asked why he gave his check for \$1,000 he stated, "Well, I did not have unmixed motives in that. I was dealing at that time with Milo Reno, who, I believe, was on the right side of an economic problem, and I was dealing for myself with my hope of future relations in life." It was not a simple answer.

Brunk further testified that he spent 3 or 4 days in the public library during the trial of LANGER, conferring with him frequently but at no time did he see the attorneys of record for LANGER, and apparently the attorneys of record did not know of Brunk's presence in Bismarck, N. Dak.

During the aforesaid intimate relationship between Gregory Brunk and Governor LANGER, the evidence shows that Brewer, his bond partner, was doing a land office bond business in the State of North Dakota. It is well to say at this point that Brunk found Brewer back in 1934 at a time when Brewer had failed to sell to the Twin City banking fraternity of Minneapolis, Minn., rural credit bonds. Brunk testified that the disappointment of Brewer in failing to make the disposition of these bonds so affected Brunk that he invited Brewer to his home in Des Moines for a conference and kept him there for about 3 weeks. They sat down in

Brunk's office canvassing what Brewer had done and where there was an opportunity for a service to be rendered, and how to go about doing it. Following this strange and unusual meeting of these two bond salesmen, they later entered into a partnership known as the V. W. Brewer Co., hereinabove mentioned.

As was stated above, Brewer was thoroughly acquainted with the bond situation in North Dakota. It was not, however, until 1937 and 1938 that he and his partner, Brunk, started to reap enormous profits. Prior to that time, we found Brewer occasionally financially destitute. There seems to be a cogent reason for this lucrative business in the years 1937 and 1938. First, Brewer was instrumental in contacting the county commissioners in various counties in North Dakota, whose obligations in the nature of anticipation warrants, certificates of indebtedness, bonds, and other obligations, were a serious financial problem. There can be no dispute about Brewer doing yeoman service in connection with the reorganization of the fiscal structure of the various counties that were in financial distress. His refunding operations consisted in the collection and payment of all the outstanding indebtedness through refunding bonds. After this important preliminary work was accomplished, it became necessary for Brewer to find the market for these bonds. The easy manner in which Brewer was able to dispose of all these bonds at a tremendous profit through the Bank of North Dakota, then managed by Frank A. Vogel, Langer's long-time political and intimate friend, is, in the opinion of your committee, the beginning of a transaction involving moral turpitude of the respondent, which was consummated in the sale of his land to Brunk, which will hereinafter be discussed in detail.

Evidence further shows that when the respondent became Governor of the State of North Dakota he demoted a man by the name of Stangler, who had been with the bank as manager thereof for a great number of years. He appeared before the committee. His demeanor, his testimony, and his background indicated he was a man fully qualified to carry on the business and all the problems of a large financial institution such as the State Bank of North Dakota.

After Stangler was demoted, one Frank A. Vogel was placed at the head of this tremendous financial institution. The evidence shows that Vogel had been an unsuccessful banker of a small bank at Cold Harbor, N. Dak., same having been liquidated during the crash.

It is well to point out that under the laws of North Dakota the State Bank of North Dakota, as well as other State institutions, had the power to negotiate and purchase direct, bonds issued by the various counties of that State, and that upon at least three occasions where the county commissioners attempted to sell the bonds direct to the bank, or to the State institutions, over which the respondent had veto power, there was a refusal upon the part of the State bank or State institutions to buy said bonds. But in those cases the evidence shows that later on, after Brewer had purchased these bonds from the counties at a discount, he was able to sell to the bank, or some of the other State institutions, these very same bonds for par value.

It is apparent from the evidence that Brewer used the State Bank of North Dakota to finance these transactions. In other words, Brewer would arrange with the bank for the disposition of the county bonds between the date that the bonds were authorized and the fiscal delivery of the bonds to the bank. Thereupon the bank, upon delivery, would credit the county with the price Brewer had paid for them and deliver to Brewer the difference between that and the par value or better, which was the profit

made by Brewer. In other words, Brewer was able to make these profits without any outlay of his own finances or without making any other financial arrangement. It should be noted that the State Bank of North Dakota is the fiscal agent of all State institutions and counties. It is mandatory upon the counties and the State institutions that they deposit their funds in this State bank.

The Governor had the right to veto the transactions. Whenever he did not approve of a transaction, and whenever Brewer was not able to make arrangements, they were not made; but when Brewer made the arrangements and discounted the bonds in the local institutions, they paid the difference between the par value and the discount, and he received the difference between the discount and the par value, without having to make any financial arrangements at all.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. CHANDLER. I prefer to finish my statement.

The PRESIDING OFFICER. The Senator declines to yield at this time.

Mr. CHANDLER. Reading further from the report:

It is fair to state that the first bond issue purchased by Brunk and Brewer was from the commissioners of the county of Morton in the sum of \$300,000. In this case, Brunk and Brewer bought from the counties the floating debt at par. They arranged with the Central National Bank & Trust Co., of Des Moines, Iowa, this being 7-percent paper, to buy that paper at par and accrued interest in bundles as the county auditor would ship it down.

The bank credited the checking account for the amount of principal that the county was paying, and gave Brewer and Brunk for their commissions the amount of accrued interest.

A significant thing is that they paid in full for the first set. They finally got started. They paid par for the first set of 7-percent bonds. That was the way they launched their endeavor. That was the way Brewer and Brunk financed the first transaction in North Dakota.

Continuing to read from the report:

This transaction took place before Governor Langer was sworn in as Governor, and it was in connection with this bond issue that Brewer and Brunk paid WILLIAM LANGER, as attorney, a fee of \$610 for legal services rendered in said case.

Upon that question the following colloquy took place:

"LUCAS. You think the fee that was paid to the Senator at that time was fair and reasonable, and that he earned the money?"

"BRUNK. Yes; I think it is the cheapest service Mr. Brewer has paid for up there."

"LUCAS. That is especially true in view of the profits made later on?"

"BRUNK. Yes, sir. I think it is the cheapest fee paid."

I have no objection to that. Senator Langer was not Governor. He was an attorney. He had a right to take \$610 for a fee.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. ELLENDER. As I understand, the \$10,000 profit which the Senator states started Brewer in business was made before Langer became Governor.

Mr. CHANDLER. I am not prepared to answer that question at the moment. All I am prepared to say now is that Langer was employed by those two men as attorney to start floating certain bond transactions, and that the first transaction was for \$300,000. I have no complaint to make about that. The bonds seem to have been bought for par, and delivered in Des Moines. They gave Langer \$610 for a fee, but he was not then Governor. I am not complaining about that. However, they say it is the cheapest fee they ever paid. I do not know why it was. Let us see what future events developed, and then see why they considered it cheap. The men who employed him and paid him said that it was the cheapest fee they ever paid.

Mr. ELLENDER. The Senator attaches great significance to that transaction.

Mr. CHANDLER. I may.

Mr. ELLENDER. Of course the Senator does, according to what he states and the manner in which he states it.

Mr. CHANDLER. Will the Senator stop complaining about the significance I attach to things? I am not complaining about the significance which the Senator attaches to certain things, or his failure to attach significance to certain things. If I wish to attach some significance to it, let me do it.

Mr. ELLENDER. Is it not also a fact that most of those transactions were done under an act of the legislature which was enacted before 1937, and that most of the work with respect to all the bond issues was virtually completed before Langer ever became Governor?

Mr. CHANDLER. No; that is not correct.

Mr. ELLENDER. I do not mean the collection of the fees and the actual sales. I am talking about the "yeoman service" rendered by Brewer, to which the Senator has referred.

Mr. CHANDLER. The only service to which I have referred is the service for which Langer received a fee of \$610. He had a right to accept the fee. He had a right to take the employment. He was not Governor. Brewer and Brunk had a right to pay him. I am not complaining about that. However, I shall refer to some further transactions. This is only one.

Mr. ELLENDER. I am speaking about the work of Brewer and Brunk—not Langer—with respect to all the bond transactions. The point I am making is that most of the work done by Brewer and Brunk, or a great deal of it, was done prior to Langer assuming the governorship.

Mr. CHANDLER. I do not think there is any possible way to approve of the action of the Governor, who had the veto power in the State.

Of course, cross-examination is a two-edged sword. Many times a lawyer who wants to help his client makes a mistake by cross-examining a witness because in the cross-examination he calls attention to some matter and makes the witness say something which otherwise he would not have said. But I must say this now, because the Senator from Louisiana has made it necessary to do so: Here was a

man who had the veto power. He was permitting only two bond salesmen—not all the bond salesmen—to go into the general market and to do what they could to buy county bonds or county obligations at a low rate. If a county wanted to deal with those two men, the Bank of North Dakota would finance them; but if the counties did not deal with those two men, the counties could not sell their bonds or obligations; they could not get anything done. There would be no one to finance them; and all the obligations had to be financed through the one State bank.

Mr. MURDOCK. Mr. President, will the Senator yield to me at that point?

Mr. CHANDLER. I yield.

Mr. MURDOCK. Certainly the Senator knows that there were other bond brokers making profits out of the county bonds.

Mr. CHANDLER. Yes; there were others. But unless they were in cahoots with Brunk and Brewer they did not make anything, because Brunk and Brewer had the veto power. Otherwise a deal could not be made, as the investigation shows.

Mr. ELLENDER. The evidence does not show it.

Mr. MURDOCK. Mr. President, will the Senator yield to me for a question?

Mr. CHANDLER. Not at the moment; I want to finish my argument.

The record and the investigation show that if other brokers had the approval of Brunk and Brewer and were in favor, the bank discounted the bonds for them, and they received the profits; but if the other brokers did not have the approval of Brunk and Brewer, they could not do any business. That is what the record shows. The bonds were purchased in many different names, but we can ascertain who got the money: it was Brunk and Brewer.

Now let me continue to read from the majority report:

Upon the hearing the committee caused to be produced the ledger sheets kept by Gregory Brunk in his Des Moines office, dealing with the profits that he and Brewer had made in 1937 and 1938 of the various bond issues purchased through the counties and sold to the National Bank of North Dakota, a copy of that sheet being set forth as follows:

I want to give the figures to the Senate. When I was Governor of my State, no bondholders cheated counties in the State out of money, and I do not believe any Governor can justify—it has not been explained to me—permitting little counties of his State to have their bonds taken by a bond syndicate, and lose money as did the little counties in North Dakota.

On April 7, McHenry County lost \$7,827.31. That is a clear profit.

On April 30, McLean County lost \$6,584.04; on May 22, Pierce County lost \$1,486.66; on June 15, Ward County lost \$14,910; on June 17, Divide County lost \$5,496.71; on June 18, Sheridan County lost \$2,360; on June 19, Grant and Slope Counties lost \$5,722.70; on July 7, Burleigh County lost \$5,687.87; on July 17, Rolette County lost \$2,080.20; on July 19, Dunn County lost \$5,322.17; on July 22, Burleigh County—again—lost \$1,560; on

August 3, Dunn County—again—lost \$2,180; on August 6, Burleigh County—again—lost \$500; on August 18, Mount-
rail County lost \$16,135.40; on August 18, Stutsman County lost \$492.42—and more and more and more; so that the 1937 total was \$121,699.95.

Mr. President, I ask unanimous consent to have the entire list for 1937 and 1938 included in the RECORD as a part of my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

North Dakota county-bond profits listed on Brunk ledger sheets, 1937

Apr. 7, McHenry	\$7,827.31
Apr. 30, McLean	6,584.04
May 22, Pierce	1,486.66
June 15, Ward	14,910.00
June 17, Divide	5,496.71
June 18, Sheridan	2,350.00
June 19, Grant and Slope	5,722.70
July 7, Burleigh	5,687.87
July 17, Rolette	2,080.20
July 19, Dunn	5,322.17
July 21, Burleigh	1,560.00
Aug. 3, Dunn	2,180.00
Aug. 6, Burleigh	500.00
Aug. 18, Mountrail	16,135.40
Aug. 18, Stutsman	492.42
Aug. 23, Mercer	12,178.51
Aug. 27, Mountrail	2,000.00
Aug. 31, Bowman	201.49
Sept. 22, Mountrail	540.00
Nov. 13, Mountrail	4,829.69
Nov. 13, Kidder	3,744.87
Dec. 13, Hettinger	3,558.10
Dec. 20, Divide	16,301.81
Total	121,699.95

Profits as shown by Brunk ledger, 1938

Jan. 17, Morton	\$6,385.57
Feb. 23, Mountrail	116.92
Mar. 18, Mountrail	1,000.00
Mar. 18, Mountrail	446.77
Mar. 21, Mountrail	543.55
Mar. 25, Divide	1,082.27
Mar. 28, Divide	3,098.67
Mar. 28, Morton	27,972.71
Apr. 26, Morton	4,644.39
May 5, Mountrail	285.11
May 18, Morton	6,396.95
May 31, Mountrail and Divide	162.75
June 20, Morton	107.07
June 22, McKenzie	12,480.00
July 1, Morton	487.18
July 5, Divide	499.36
July 29, Morton	16.46
Aug. 23, Morton	1,680.00
Sept. 6, McKenzie	2,756.25
Oct. 27, Burleigh	140.00
Nov. 23, Ward	256.07
Nov. 29, Ward	214.00
Dec. 14, McKenzie	143.34

County bonds	70,916.14
State bonds	103,300.04
Total	174,216.18

Mr. CHANDLER. I desire to refer more specifically to the losses in 1938.

Mr. AUSTIN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Vermont?

Mr. CHANDLER. I yield.

Mr. AUSTIN. On the point about which the Senator was last interrogated, I desire to call his attention to page 40 of the report, which corroborates, I think, the inference which he has stated so definitely, that unless a broker had this kind of influence he could not get

anywhere except in the sale directly, under the law, to these State institutions.

On page 40 we find the following:

While Brunk was making his large commissions (which might have been avoided by sale of the bonds direct from the counties to the State agencies which ultimately bought them), a petition for removal of the county commissioners of Williams County because of sales made by it through H. E. Mueller was pending.

Respondent, as Governor, suspended these officials and then granted a hearing on their removal.

December 31, 1938: Governor LANGER removed them (investigators' record, 631, 632). A substantial file showing the removal proceedings is in possession of the committee as an exhibit.

The subject is also dealt with at pages 631 and 632 of the investigators' report.

Mr. CHANDLER. I thank the Senator from Vermont. His contribution is not only a valuable one but a truthful one, and I think it substantiates the statement I made—that at least the Governor was not friendly to other bond brokers; at least he preferred these two men, and they seem to have had the right-of-way.

There is no question about their success. According to their own books, they made \$121,699.95 in 1937. That was profit, and that was while Senator LANGER was Governor of North Dakota. In 1938—and then they were running full speed—they made \$174,216.18. In 1937 and 1938, while Senator LANGER was Governor of North Dakota, their gross profits on county bonds and State bonds were \$297,236.35—quite a substantial showing.

I again quote from the report, referring to the profits shown by the Brunk ledger:

The above figures are undisputed and uncontradicted and are literally lifted from the original ledger sheets produced in evidence by Gregory Brunk. It should be said at this point that in 1937, when the respondent became Governor, a law was passed by the Legislature of North Dakota making it necessary that before the State Bank of North Dakota or any other State-owned institution could invest their reserve funds it was necessary for said institution to obtain the approval of the industrial commission—

Which means the industrial commission of North Dakota, of which Senator LANGER was chairman.

Mr. ELLENDER. The law referred to was put on the statute books before Senator LANGER became Governor; was it not?

Mr. CHANDLER. No; I think it was put on while he was Governor. However, I shall make sure of that; I do not want to make an inaccurate statement.

Mr. ELLENDER. I think the Senator is mistaken.

Mr. CHANDLER. If I find that I am, I shall say so.

Mr. ELLENDER. Very well.

Mr. CHANDLER. I shall take the time to check on that point at once. I am in no hurry; and, if the Senator from Louisiana is not, I shall take time to make sure that I state the matter accurately.

Mr. ELLENDER. No; I am not in a hurry; I merely desire to get the facts.

Mr. AUSTIN. Mr. President, if the Senator will yield to me, let me say that

the record shows that Senator LANGER was Governor in 1937 and 1938, from January to January.

Mr. CHANDLER. The report shows that when the respondent became Governor the law was passed. It was passed in 1937. That is a matter of fact.

Mr. MURDOCK. Mr. President, if the Senator will yield to me, let me say that I think the record will show that the law was enacted in 1935, and was reenacted in 1937.

Mr. ELLENDER. Yes; it was reenacted in 1937. That is correct.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CHANDLER. I will yield in a moment. First I should like to read from the Duffy testimony. Duffy says:

I assumed that it was, after the resolution was passed. I do not remember when it was passed, but it was in this period that I was investigating. It had not gone into effect before 1937, but it went into effect sometime during that 2-year period.

Mr. MURDOCK. Mr. President, will the Senator yield? I think the record will disclose not only the date but the law itself.

Mr. CHANDLER. Was the law reenacted during Senator LANGER's term as Governor?

Mr. MURDOCK. The law was enacted in 1935.

Mr. CHANDLER. Very well.

Mr. MURDOCK. I assume that the Senator is rather familiar with the record.

Mr. CHANDLER. I am rather familiar with it. Did the Senator say the law was reenacted in 1937?

Mr. MURDOCK. Yes.

Mr. CHANDLER. What for? It must not have been effective.

Mr. MURDOCK. Certainly it was. It terminated in May 1937, and was reenacted.

Mr. CHANDLER. Very well; then it was reenacted.

Mr. MURDOCK. But the Senator will find that most of the bond transactions with the counties were accomplished prior to 1937.

Mr. ELLENDER. That is correct; that is the point I made a while ago, let me say to the Senator.

Mr. MURDOCK. I think that even a casual reference to the record will disclose that fact.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. LUCAS. Of course what the Senator from Utah says is substantially true, but that is clearly beside the point. It does not make any difference what yeoman service was done by Brunk and Brewer in the reorganization of the fiscal structure of the various counties. The point is the sale of bonds to the Bank of North Dakota when the Governor of the State had the veto power. That is the point.

Mr. MURDOCK. Mr. President, will the Senator yield to me in order that I may make an observation?

Mr. CHANDLER. No; I will not yield now, but will a little later. I am anxious to disclose the reason why the sale

could have been made and why the profits could have been made, and the reason for enacting the law.

Now I desire to get the point to which I started to refer when I began this discussion:

Gregory Brunk was not only busy during 1937 and 1938 in making huge profits from these bond transactions.

It must be remembered that if the Governor wanted to stop the transactions, he could have done so at any time, because he had the veto power. By exercising his veto power he could have stopped all the bond transactions whereby these two salesmen caused the little counties to lose nearly \$300,000—\$300,000 lost, I say to the Senate, as profits to men who performed no real service to the people of North Dakota.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. CHANDLER. Not now.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. CHANDLER. I have been generous, and I should like to conclude. I read from the report:

It is significant that these real-estate deals were consummated one after another at about the same time these bond issues were being sold. During the 2 years in which these enormous profits were made, the records show, and it is undisputed, that Gregory Brunk, in the name of the Des Moines Realty Co., purchased from the respondent over 5,600 acres of land in North Dakota. Different types of deeds were drawn and in some instances contracts for deeds were made. Brunk purchased all of this land, sight unseen.

Just as Sullivan bought the stock and never got it, so far as I know, never saw it.

Instead of going to North Dakota to examine the land, examine the title, and examine encumbrances and liens, if any, he sent his law partner with instructions to do whatever Governor LANGER thought best.

Mr. BONE. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. BONE. I have had some experience with publications, because I have had to get out a number of them as counsel for public bodies. Perhaps I am not sufficiently familiar with the record in this case to enable me to get it straight. I have not had time to read 700 or 800 pages of record, but is the charge made by the committee that the Governor induced the counties to sell the bonds at below par?

Mr. CHANDLER. The committee has not made any charges; the people of North Dakota made charges.

Mr. BONE. I wish to know whether it appears anywhere in the record that the Governor induced the counties to sell the bonds at below par. If the buyers later sold them at par and made money, fault could hardly be attributed to anyone in that operation. If I go into my own State, and a county sells me bonds at 99.7, and I can unload them at par, there is nothing wrong with the transaction, because the county authorized me to buy the bonds at 99.7. That is why I asked the question. Is there any charge or any responsibility attaching to the Governor because the county sold at be-

low par? Was not that how the profit was made; that they later sold the bonds at par?

Mr. CHANDLER. Yes; but it is an unusual situation when two bond dealers are financed and permitted to use the credit of the State Bank of North Dakota, and when the bank pays for the bonds to the counties, although they cannot do it if the Governor says "No." He is the boss, but he does not say "No."; so they pay the counties for bonds, and the bond dealers get the difference. I claim that the Governor could have stopped this, but at least he suffered it to go on. They made this money while he was Governor, and they used the financial security of the Bank of North Dakota to back the venture.

Mr. BONE. Was it a sort of assignment of their right of purchase, an assignment of a chose in action, or what was the nature of it? Did they simply go to the bank and say, "We have a right to buy these bonds. We have a firm commitment from the county to deliver so many dollars of bonds to us, and we will turn them over to you"? Was that the way the profit was made?

Mr. CHANDLER. It was so good that a county official who would not agree to it was removed from office. They fixed it so that these two fellows were the only ones who could make successful deals with the county and State bonds of North Dakota. They went into the little communities and got the bonds without putting up any money, the transaction cleared, the little counties got their checks from the State Bank of North Dakota, Brunk and Brewer got the profits, and the Governor permitted it, or suffered it; let it go by. He could have stopped it, and he should have stopped it, in my opinion, if he knew about it. If he knew about it, it was crooked, and if he did not know about it, it was stupid. That is my opinion about it. He should have known about it. And the people lost the money.

Mr. BONE. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. BONE. I have seen bond issues tendered by public bodies, and a syndicate of buyers organized. Lawyers here who have represented public bodies have seen that happen. Such transactions are frequently handled through a syndicate of buyers. Frequently the syndicate does not want to handle the issue so, having a firm commitment from the city, or county, or other public body, they are able to go and peddle their options. I never regarded that particularly as an affront to decency, or bad business, because it is done in perfect good faith. They may not actually put up their own money. They have a firm commitment from the city or county for a million or two million dollars of bonds, so they will go out and dispose of the bonds to banks or other agencies.

Mr. CHANDLER. The bond dealers sold the bonds at par to the bank, the little counties and other subdivisions were paid for the bonds, and these men got the difference. It was an unconscionable transaction, in my opinion. I

do not ask the Senator to take my view of it.

Mr. BARKLEY. Does the Senator desire to proceed longer this afternoon, or would he care to suspend now?

Mr. CHANDLER. It suits me to suspend.

Mr. BARKLEY. Then, I suggest that the Senator suspend at this time.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair), as in executive session, laid before the Senate messages from the President of the United States submitting sundry nominations in the Army, which were referred to the Committee on Military Affairs.

(For nominations this day received, see the end of Senate proceedings.)

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 10 minutes p. m.) the Senate took a recess until tomorrow, Thursday, March 12, 1942, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate March 11 (legislative day of March 5), 1942:

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

TO BE BRIGADIER GENERALS

Col. Charles Duncanson Young, Corps of Engineers (Reserve).

Col. Ralph Waldo Coane, Field Artillery (National Guard of the United States).

TO BE A LIEUTENANT GENERAL

Maj. Gen. Brehon Burke Somervell (lieutenant colonel, Corps of Engineers), Army of the United States.

APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES

Col. Robert Hilliard Mills, Dental Corps, to be assistant to the Surgeon General, with the rank of brigadier general, for a period of 4 years from date of acceptance, vice Brig. Gen. Leigh C. Fairbank, assistant to the Surgeon General, who retired February 28, 1942.

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

TO BE MAJOR GENERALS

Brig. Gen. Lindsay McDonald Silvester (colonel, Infantry), Army of the United States.

Brig. Gen. Charles Philip Hall (colonel, Infantry), Army of the United States.

Brig. Gen. Wade Hampton Haislip (colonel, Infantry), Army of the United States.

Brig. Gen. Franklin Cummings Sibert (lieutenant colonel, Infantry), Army of the United States.

Brig. Gen. Robert Henry Lewis, United States Army.

Brig. Gen. Alexander McCarrell Patch, Jr. (lieutenant colonel, Infantry), Army of the United States.

Brig. Gen. Orlando Ward (lieutenant colonel, Field Artillery), Army of the United States.

Brig. Gen. Glen Edgar Edgerton (colonel, Corps of Engineers), Army of the United States.

Brig. Gen. Raymond Albert Wheeler (colonel, Corps of Engineers), Army of the United States.

Brig. Gen. Russell Lamonte Maxwell (colonel, Ordnance Department), Army of the United States.

Brig. Gen. Jonathan Waverly Anderson (colonel, Field Artillery), Army of the United States.

Brig. Gen. Albert Monmouth Jones (colonel, Infantry), Army of the United States.

TO BE BRIGADIER GENERALS

Col. Louis Emerson Hibbs (lieutenant colonel, Field Artillery), Army of the United States.

Col. Douglass Taft Greene (lieutenant colonel, Infantry), Army of the United States.

Col. John Bellinger Thompson (lieutenant colonel, Cavalry), Army of the United States.

Col. Eugene Manuel Landrum (lieutenant colonel, Infantry), Army of the United States.

Col. Stafford Le Roy Irwin (lieutenant colonel, Field Artillery), Army of the United States.

Col. Manton Sprague Eddy (lieutenant colonel, Infantry), Army of the United States.

Col. Frederick Augustus Irving (lieutenant colonel, Infantry), Army of the United States.

Col. James Allen Lester (lieutenant colonel, Field Artillery), Army of the United States.

Col. Stanley Eric Reinhart (lieutenant colonel, Field Artillery), Army of the United States.

Col. Fay Brink Prickett (lieutenant colonel, Field Artillery), Army of the United States.

Col. Raymond Eugene McQuillin, Cavalry.

Col. Thomas James Camp (lieutenant colonel, Infantry), Army of the United States.

Col. Robert Walker Grow (lieutenant colonel, Cavalry), Army of the United States.

Col. Raymond Oscar Barton (lieutenant colonel, Infantry), Army of the United States.

Col. Jay Ward MacKellvie (lieutenant colonel, Field Artillery), Army of the United States.

Col. Edward Mallory Almond (lieutenant colonel, Infantry), Army of the United States.

Col. William Spence (lieutenant colonel, Field Artillery), Army of the United States.

Col. Basil Harrison Perry (lieutenant colonel, Field Artillery), Army of the United States.

Col. Withers Alexander Burress (lieutenant colonel, Infantry), Army of the United States.

Col. Robert Alexis McClure (lieutenant colonel, Infantry), Army of the United States.

Col. Ernest Nason Harmon (lieutenant colonel, Cavalry), Army of the United States.

Col. Alfred Maximilian Gruenther (major, Field Artillery), Army of the United States.

Col. Wilhelm Delp Styer (lieutenant colonel, Corps of Engineers), Army of the United States.

Col. James Edward Wharton (lieutenant colonel, Infantry), Army of the United States.

Col. Lucius DuBignon Clay (major, Corps of Engineers), Army of the United States.

Col. Charles Philip Gross (lieutenant colonel, Corps of Engineers), Army of the United States.

Col. Paul Lewis Ransom (lieutenant colonel, Infantry), Army of the United States.

Col. Raymond Alexander Kelsner, Veterinary Corps.

Col. Charles Everett Hurdis (lieutenant colonel, Field Artillery), Army of the United States.

Col. James Richard Townsend (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Col. Charles Spurgeon Harris (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Col. La Rhett Livingston Stuart (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Col. Stanley Raymond Mickelsen (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Col. Arthur William Vanaman (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

Col. William Ormon Butler (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

Col. William Elmer Lynd (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

Col. Raymond George Moses (lieutenant colonel, Corps of Engineers), Army of the United States.

Col. Robert Meredith Perkins (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Col. Edwin Jacob House (lieutenant colonel, Air Corps), Air Corps.

Col. Stuart Chapin Godfrey, Corps of Engineers.

Col. Lewis Charles Beebe (lieutenant colonel, Infantry), Army of the United States.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 11, 1942

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Father of all, it is Thou who hast made us and given us all things to enjoy; we rejoice that Thou dost call us to the duties of a new day. Grant that we may be strong in the assurance that light in its struggle to overcome darkness makes us strong, free, and fearless. Breathe upon us an atmosphere of joyous hope, assuring us that this virtue of character is a most impressive force. When the way is barren and rough and our experiences are difficult to reconcile with our faith, heavenly Father, with morning faces and with morning hearts make us eager to work and strong to endure.

Dear Lord, we need to remember that true and lofty souls have ever found rest in the deepest perplexities; thus life is our teacher, acquiring great value. Enable us to learn that mercy is greater than sacrifice, that truth is infinitely mightier than fiction and that goodness is superior to any type of greatness. Toiling with fidelity, exulting in the power to be and to labor even in the most menial tasks, Oh, how simple and yet how sublime, dear Lord! We pray that we may thus be lifted above the infirmities of the flesh and our souls brought into the region of supernal power. In the name of our Redeemer and for His sake. Amen.

The Journal of the proceedings of yesterday was read and approved.

AMMUNITION CARRIERS

Mr. O'TOOLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

[Mr. O'TOOLE addressed the House. His remarks appear in the Appendix.]

BONNEVILLE'S CONTRIBUTION TO WINNING THE WAR

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my